

THE CBF CHURCH OF ENGLAND UK EQUITY FUND  
INTERIM REPORT AND  
UNAUDITED FINANCIAL STATEMENTS

Half year ended 30 June 2023

**CCLA**

## CONTENTS

Report of the Trustee	03
Report of the Investment Manager*	06
Statement of Ethical Investment Policy*	10
Summary risk indicator	13
Comparative table	14
Portfolio analysis	16
Portfolio statement*	17
Statement of total return	20
Statement of change in net assets attributable to Shareholders	20
Balance sheet	21
Note to the financial statements	22
Distribution tables	23
Statement of Trustee and Manager responsibilities	24
Directory*	26

\*Collectively, these comprise the Manager's Report.

References to "CCLA" refer to the CCLA Group, comprising CCLA Investment Management Limited and CCLA Fund Managers Limited.

**Disability Discrimination Act 1995**

Extracts from the Interim Report and Unaudited Financial Statements are available in large print and audio formats.

**REPORT OF THE TRUSTEE****for the half year ended 30 June 2023 (unaudited)**

On behalf of the Trustee, I have pleasure in presenting the Interim Report and Unaudited Financial Statements of The CBF Church of England UK Equity Fund (the “Fund”), which includes a separate report from CCLA Investment Management Limited (the “Manager”) as Manager of the Fund. The Manager is authorised and regulated by the Financial Conduct Authority (“FCA”).

**Structure and management of the Fund**

The Fund is an investment fund, administered as a common fund and is established under the Church Funds Investment Measure 1958, as amended by the Church of England (Miscellaneous Provisions) Measure 1995, the Church of England (Miscellaneous Provisions) Measure 2000, the Church of England (Miscellaneous Provisions) Measure 2006, the Church of England (Miscellaneous Provisions) Measure 2010 (together the “Measure”) and the Trustee Act 2000. The Fund was formed on 1 December 2004. The Fund is not a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 (“FSMA”) as amended or changed from time to time.

CBF Funds Trustee Limited (the “Trustee”) is the Trustee and Operator of the Fund. The Trustee is a company incorporated under the Companies Act 1985 (now Companies Act 2006). It is a registered charity (No. 1116932) and is incorporated in England and Wales as a company limited by guarantee.

The Manager has been appointed by the Trustee pursuant to the investment management agreement dated September 2008 to provide discretionary investment management services as well as administrative and registration services under the investment management agreement.

Under the provisions of FSMA, the Trustee is not considered to be operating the Fund “by way of business”. Consequently, it is not required to be authorised or regulated by the FCA and its members are not required to be approved by the FCA for this purpose.

As the Fund is structured as an unregulated fund, investments in the Fund are not covered by the Financial Services Compensation Scheme.

**Charitable status**

The Fund is entitled to charitable status by virtue of section 99(4) of the Charities Act 2011. In the administration of the Fund, the Trustee is exempt from the jurisdiction of the Charity Commission by virtue of section 5(1) of the Measure.

**Investment objective**

The Fund aims to provide growth in capital and income over the long-term.

**Investment policy**

The Fund is an actively managed, diversified portfolio of UK equities. It will principally invest in UK equities, but may also invest in other assets, which may be either liquid or illiquid in nature.

**REPORT OF THE TRUSTEE****for the half year ended 30 June 2023 (unaudited)****Comparator benchmark**

The comparator benchmark for the Fund is the MSCI™ United Kingdom Investable Market Index. The comparator benchmark sets a standard against which the performance of the Fund can be assessed.

**Target investors**

The Fund is intended for eligible charity investors, with at least a basic knowledge of relevant financial instruments, which are affiliated with the Church of England and seeking to invest in an actively managed fund that reflects the investment objective and investment policy of the Fund. Investors should be looking to invest for at least five years and understand that their capital may be at risk, have the ability to bear losses and appreciate that the value of their investment and any derived income may fall as well as rise.

Please note that the Manager is not required to assess the suitability or appropriateness of the Fund against each investor.

Investors may be either retail or professional clients (both per se and elective).

**Review of investment activities and policies of the Fund**

The Trustee is ultimately responsible for The CBF Church of England UK Equity Fund and receives reports on the published financial statements.

The Trustee holds at least four meetings each year and monitors the investment, property and cash management, administration, registration and company secretarial services provided the Manager under the investment management agreement. The Trustee has appointed an audit committee to review the financial statements of the Fund and to receive and consider regular reports from the Manager on the management and administration of the Fund.

The Trustee has appointed the custodian to hold the securities of the Fund in specially designated accounts in safe custody.

**Delegation of functions**

Following its regular meetings and consideration of the reports and papers it has received, the Trustee 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 investment management agreement.

**REPORT OF THE TRUSTEE****for the half year ended 30 June 2023 (unaudited)****Controls and risk management**

The Trustee receives and considers regular reports from the Manager. Ad hoc reports and information are supplied as required.

The Trustee has appointed HSBC Bank plc Trustee and Depositary Services to oversee the Manager in respect of its activities related to the management, oversight, supervision and administration of the Fund, including the custody and safekeeping of the property of the Fund. HSBC Bank plc Trustee and Depositary Services also provide semi-annual reviews to the Trustee. This oversight provides an additional layer of comfort for Shareholders.

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.

At its periodic audit committee meetings, the Trustee receives a report from the Chief Risk Officer of the Manager which covers the following areas amongst others:

- breaches and complaints recorded on the Fund during the reporting period;
- compliance monitoring reviews relevant to the Fund during the reporting period;
- a summary of the internal audit reviews carried out during the reporting period and any significant findings;
- an enterprise risk report which outlines any operational risk events which impacted the Fund; and
- an investment risk report on the Fund with relevant metrics as at the last month end prior to the audit committee meeting.

A Brookes, Chair  
CBF Funds Trustee Limited  
4 September 2023

## REPORT OF THE INVESTMENT MANAGER for the half year ended 30 June 2023 (unaudited)

### Strategy

The investment objective of the Fund is to provide capital growth over the long term and an attractive level of income. To achieve this objective it has a diversified portfolio of good quality companies, predominantly listed on the London stock exchange but with some holdings in companies listed on stock exchanges overseas; this provides access to sectors and industries which are not well represented in the UK-listed market. During the period under review, the CBF Board approved an increase in the proportion of the Fund's assets which may be held in non-UK listed equities, from 10% to 20%.

The portfolio is biased towards companies with a robust financial position and which are not dependent on cyclical trends in the broad economy to grow earnings. There is an above average weighting to companies which have a high international component to their activities. At the sector level there are relatively high weightings to high quality industrials, technology, healthcare and non-bank financial businesses. Conversely there are low weightings to energy and utilities stocks.

### Annualised total capital and income return

To 30 June 2023	6 months %	1 year %	5 years % p.a.	10 years % p.a.
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### Performance against market indices (after expenses)

#### The CBF Church of England

#### UK Equity Fund

Income Shares*	6.06	11.08	4.88	7.41
Accumulation Shares*	6.06	11.09	4.88	7.42
Comparator benchmark#	2.27	6.98	2.70	5.67
MSCI UK Investable Market Index	2.27	6.98	2.70	5.61
MSCI UK MID Cap	10.17	13.66	1.42	5.27
Consumer Price Index (CPI)	3.38	7.96	4.45	2.95

# Comparator benchmark – Composite: From 01.01.16 MSCI UK IMI. To 31.12.15 MSCI UK All Cap. To 30.11.14 MSCI UK All Cap adjusted for EIAG Ethical Restrictions.

\* Mid to mid plus income re-invested.

Source: CCLA.

## REPORT OF THE INVESTMENT MANAGER for the half year ended 30 June 2023 (unaudited)

### Performance

Over the period the Fund achieved a total return after expenses of 6.06% on an income share (accumulation share: 6.06%). This compares with a return on the benchmark UK index of 2.27%. The Fund is actively managed and it is common for performance to be either above or below that of the comparator benchmark over any given reporting period. As discussed below, over the latest six-month period the returns from the UK-listed equities market as a whole were held back by weak performance from sectors which are heavily represented in the domestic index, such as traditional energy, mining and banking stocks. The Fund's portfolio has little exposure to these sectors. Meanwhile some of the Fund's holdings in information technology, healthcare and non-bank financial services performed well and this also contributed positively to the Fund's performance relative to the benchmark.

### Market review

Equity markets had mixed fortunes over the first half of 2023 but made progress overall. The year got off to an encouraging start and January was strongly positive, as investors began to anticipate a peak in interest rates. The mood changed in February, however, amid signalling from central banks including the Bank of England that they regarded the fight against inflation as having some way to go. Headline inflation continued to fall but employment data indicated that jobs markets remained too tight for the regulators' liking, and core inflation measures which strip

out volatility energy and food prices continued to rise. This reinforced expectations that interest rates would move higher and stay there for longer than had recently been priced in by markets.

Financial stocks were especially volatile in the month of March as difficulties emerged at a handful of institutions including Credit Suisse and the specialist Silicon Valley Bank. Fortunately, swift action by regulators helped to reassure investors that the turmoil was not systemic to the banking system as a whole. More broadly, signs that labour markets were finally beginning to soften and that the peak of interest rate tightening was approaching – seen as even more likely if central banks concluded that a rising yield environment had contributed to banks' woes – improved support for equities as a whole.

The UK-listed equity market lagged its global peers, thanks mainly to the dominance in the domestic market of under-performing sectors such as traditional energy and mining stocks. Banks, which had a difficult period, also feature significantly in the UK index. Conversely the information technology sector, which accounted for the great majority of the gains enjoyed by the global market over the period, is under-represented in the UK market. Returns from the broad UK equity market were +2.3% over the six-month period under review, compared with +8.9% (in sterling terms) from the global index.

## REPORT OF THE INVESTMENT MANAGER for the half year ended 30 June 2023 (unaudited)

### Outlook

Economic growth appears set to take some time to recover from the shock of surging inflation and the tighter monetary policy intended to control it. Earnings growth in equity markets will likely be limited. Furthermore, we can expect to see continued divergence between sectors and individual stocks as investors digest the prospects for different businesses in a higher inflation and higher yield environment. We find that some companies are better able than others to raise their own prices and thus protect revenues, and to control costs to support net earnings. The peak of the interest rate cycle, which currently appears set to be reached before too long, could mark the beginning of a more positive long-term trend. However now that we have left behind the era of ultra-loose monetary policy and the support that it provided for asset prices, markets are likely to remain volatile for the foreseeable future.

C Ryland  
Head of Investment  
CCLA Investment Management Limited  
4 September 2023



**REPORT OF THE INVESTMENT MANAGER**  
for the half year ended 30 June 2023 (unaudited)

**Top ten changes in portfolio composition**

	Cost £'000		Proceeds £'000
<b>Purchases:</b>		<b>Sales:</b>	
UnitedHealth Group	1,026	Dechra Pharmaceuticals	2,353
S&P Global	814	Rio Tinto	1,016
Intercontinental Exchange Group	811	Keywords Studios	905
Accenture	678	London Stock Exchange Group	828
Visa Class A	470	RWS	773
Thermo Fisher Scientific	393	Unilever	696
Diploma	324	Lloyds Banking Group	653
Croda International	314	CME Group	579
Spirax-Sarco Engineering	269	The Berkeley Group Holdings	337
Amazon.com	236	Microsoft	226

When a stock has both purchases and sales in the reporting period, these transactions have been netted and the net amount has been reflected as either a net purchase or net sale in the table above.

**Risk warning**

Past performance is not a reliable indicator of future results. The price of the Fund's Shares and any income distributions from them may fall as well as rise and an investor may not get back the amount originally invested.

The Fund's Shares are intended only for long-term investment and are not suitable for money liable to

be spent in the near future. Shares are realisable on each weekly dealing day only. The Fund mainly invests in stocks from a single geographical area which can lead to risk of concentration.

Investments in the Fund are not covered by the Financial Services Compensation Scheme.

**STATEMENT OF ETHICAL INVESTMENT POLICY****to the Shareholders of The CBF Church of England UK Equity Fund****Ethical investment**

The Fund is managed in accordance with ethical investment policies developed by the three National Investing Bodies (the Church Commissioners and Church of England Pensions Board being the other two) based on the advice of the Church's Ethical Investment Advisory Group (EIAG). Responsibility for accepting National Investing Bodies (NIBs) policy and EIAG recommendations rests with the Trustee. The Trustee is represented on the EIAG by C Chan, a director of the Trustee. The Ethical Investment Policy embraces stewardship, engagement and investment exclusions.

**Responsible investment and stewardship**

The Fund also implements CCLA's responsible investment policy, which we believe will improve long-term Shareholder returns. This includes policies to integrate Environmental, Social and Governance (ESG) factors into the investment decision making process and stewardship activities associated with the Fund's holdings, more details can be found at <https://www.ccla.co.uk/sustainability/corporate-governance/approach-esg>.

The Manager is a signatory to both the UK Stewardship Code and the United Nations Principles for Responsible Investment (PRI) and is a member of CDP (formerly the Carbon Disclosure Project), the Institutional Investors Group on Climate Change (IIGCC) and UK Sustainable Investment and Finance Association (UKSIF).

**Engagement**

The NIBs expect companies in which they invest to manifest sustainable environmental practice, fair treatment of customers and suppliers, responsible employment practices, conscientiousness with regard to human rights, sensitivity towards the communities in which they operate and best corporate governance practice. The NIBs engage with investee companies to seek improvement in ethical standards in these areas. There are specific policies on Executive Remuneration and Business and Engagement. From time to time, policies, papers and reports are also published to inform engagement on individual environmental and social issues.

**STATEMENT OF ETHICAL INVESTMENT POLICY****to the Shareholders of The CBF Church of England UK Equity Fund****Investment exclusions**

The NIBs do not wish to directly profit from, or provide capital to, activities that are materially inconsistent with Christian values, and are also mindful of the danger of undermining the credibility, effectiveness and unity of the Church's witness were they to do so. A range of investment exclusions is therefore maintained. The EIAG or the NIBs may, exceptionally, recommend exclusion from investment of any individual company in any line of business on ethical grounds – normally if, after sustained dialogue, the company does not respond positively to concerns about its practices. In such cases the NIBs will determine individually whether to disinvest if they hold securities issued by the company. The EIAG and NIBs expect a recognition of responsibility and a resolve to improve, rather than perfection.

**Direct investments in equities and corporate debt:** The NIBs do not invest in any company involved in indiscriminate weaponry. Moreover, they do not invest in companies involved in conventional weapons if their strategic military supplies exceed 10% of turnover. The NIBs do not invest in any company that derives more than 3% of revenues from the production or distribution of pornography or in any company, a major part of whose business activity or focus (defined as more than 10% of group revenues) is tobacco, gambling, non-military firearms, or high interest rate lending. The National Investing Bodies will exclude from their investments any

company deriving more than 25% of its turnover from the production or licensed sale of alcoholic drinks, except in the case of companies whose sole business is the provision of alcoholic drinks with food.

The climate change policy (2015) does not allow investments in companies that derive more than 10% of revenue from tar sands or thermal coal.

Individual policy documents are published separately – or are under development – setting out the criteria employed in each area to determine whether companies breach the Church's policy and to explain the theology, ethics and reasoning underlying the policies. More information can be found at <https://www.churchofengland.org/about/leadership-and-governance/ethical-investment-advisory-group/policies-and-reviews>.

**Direct investments in property:** The NIBs apply the same exclusions to direct property investments as are used for equities and corporate debt investments. To implement this policy, we seek to screen properties prior to investing in them. We do this by assessing the activities undertaken by the underlying tenants. Full details on how the policy is applied can be found in our values based screening policy which can be accessed at <https://www.ccla.co.uk/about-us/policies-and-reports/policies/values-based-screening-policy>.

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## STATEMENT OF ETHICAL INVESTMENT POLICY to the Shareholders of The CBF Church of England UK Equity Fund

### **Indirect investments via pooled funds:**

The NIBs are only able to invest in some assets, asset classes and investment strategies through pooled funds. Pooled funds are funds in which a number of different investors invest. Because the ethical investment policies of the EIAG and NIBs cannot be applied fully, or at all, in these investments, the Pooled Funds Policy gives detailed guidance on how the NIBs should ensure that their use of pooled funds is consistent with ethical investment. Full details on how the policy is applied can be found in our values based screening policy which can be accessed at <https://www.ccla.co.uk/about-us/policies-and-reports/policies/values-based-screening-policy>.

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The EIAG was established in 1994 and includes representation from The Church Commissioners, The CBF Church of England Funds, the Church of England Pensions Board and up to seven independent members who are appointed by a dedicated Nominations Committee. It is currently

Chaired by Barbara Ridpath who took over from the Right Reverend David Walker, The Bishop of Manchester, on the 8 July 2020. More information about the EIAG is available at [www.churchofengland.org/eiag](http://www.churchofengland.org/eiag).

## SUMMARY RISK INDICATOR

The UK PRIIPs Regulation requirements set out detailed guidelines for the calculation of the risk ratings of products to be portrayed through a summary risk indicator. It is intended to be a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because the Manager is not able to pay you. The risk of the product may be significantly higher than the one represented in the summary risk indicator where the product is not held for the recommended holding period (RHP).



The Manager has classified The CBF Church of England UK Equity Fund as 4 out of 7, which is a medium risk class. This rates the potential losses from future performance at a medium level and poor market conditions could impact the Manager's capacity to pay you. This classification is not guaranteed and may change over time and may not be a reliable indication of the future risk profile of the Fund. The lowest category does not mean risk free.

The summary risk indicator assumes investment in the Fund for the RHP of five years. The actual risk can vary significantly if you cash in at an early stage and you may get back less.

Investors can request redemption at any time and the Fund deals on a weekly basis. The Fund does not include any protection from future market performance, so you could lose some or all of your investment.

A more detailed description of risk factors that apply to this product is set out in the latest Scheme Information document available on CCLA's website or by request.

## COMPARATIVE TABLE

## Change in net assets per Share

	Half year to 30.06.2023 pence per Share	Income Shares		Year to 31.12.2020 pence per Share
		Year to 31.12.2022 pence per Share	Year to 31.12.2021 pence per Share	
Opening net asset value per Share	178.04	222.06	188.81	194.08
Return before operating charges*	11.54	(36.36)	40.92	2.13
Operating charges**	(0.61)	(1.20)	(1.34)	(1.19)
Return after operating charges*	10.93	(37.56)	39.58	0.94
Distributions on Income Shares	(3.18)	(6.46)	(6.33)	(6.21)
Closing net asset value per Share	185.79	178.04	222.06	188.81
* after direct transaction costs of:	0.02	0.04	0.03	0.08

## Performance

Return after charges	6.14%	(16.91%)	20.96%	0.48%
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## Other information

Closing net asset value (£'000)	64,709	62,643	78,874	68,212
Closing number of Shares	34,829,798	35,184,578	35,519,134	36,127,452
Operating charges**	0.67%***	0.67%***	0.65%	0.66%
Direct transaction costs	0.01%	0.02%	0.02%	0.04%

## Prices (pence per Share)

Highest Share price (offer)	199.45	223.20	225.36	198.07
Lowest Share price (bid)	179.07	165.14	186.46	141.55

The return after charges has been calculated in accordance with the Statement of Recommended Practice for UK Authorised Funds' (SORP) prescribed calculation methodology. This is for financial statement reporting purposes only and may differ from the Fund's performance disclosed in the Report of the Investment Manager.

\*\* Operating charges comprise the Manager's annual management charge and other expenses, including VAT, but before taking account of rebates, as these only offset charges incurred within the underlying funds. The percentages above reflect these charges divided by average net assets for the period/year.

\*\*\* Operating charges includes VAT reclaims received during the period/year. Industry guidance requires a 'synthetic' operating charge figure to be calculated where a Fund invests a proportion of its assets in other funds. Operating charges as at 30 June 2023 include synthetic costs of 0.03% (31 December 2022: 0.03%) which represent the OCF of the underlying funds weighted on the basis of the investment proportion. Synthetic cost were not included in previous periods.

## COMPARATIVE TABLE

## Change in net assets per Share

	Accumulation Shares			
	Half year to 30.06.2023 pence per Share	Year to 31.12.2022 pence per Share	Year to 31.12.2021 pence per Share	Year to 31.12.2020 pence per Share
Opening net asset value per Share	341.08	410.32	338.35	335.72
Return before operating charges*	22.12	(67.00)	74.40	4.72
Operating charges**	(1.17)	(2.24)	(2.43)	(2.09)
Return after operating charges*	20.95	(69.24)	71.97	2.63
Distributions on Accumulation Shares	(4.89)	(7.98)	(6.28)	(6.73)
Retained distributions on Accumulation Shares	4.89	7.98	6.28	6.73
Closing net asset value per Share	362.03	341.08	410.32	338.35
* after direct transaction costs of:	0.03	0.07	0.06	0.14

## Performance

Return after charges	6.14%	(16.87%)	21.27%	0.78%
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## Other information

Closing net asset value (£'000)	2,154	2,040	2,453	2,139
Closing number of Shares	595,126	598,202	597,808	632,162
Operating charges**	0.67%***	0.67%***	0.65%	0.66%
Direct transaction costs	0.01%	0.02%	0.02%	0.04%

## Prices (pence per Share)

Highest Share price (offer)	382.09	412.42	413.46	345.01
Lowest Share price (bid)	343.05	313.46	334.14	244.86

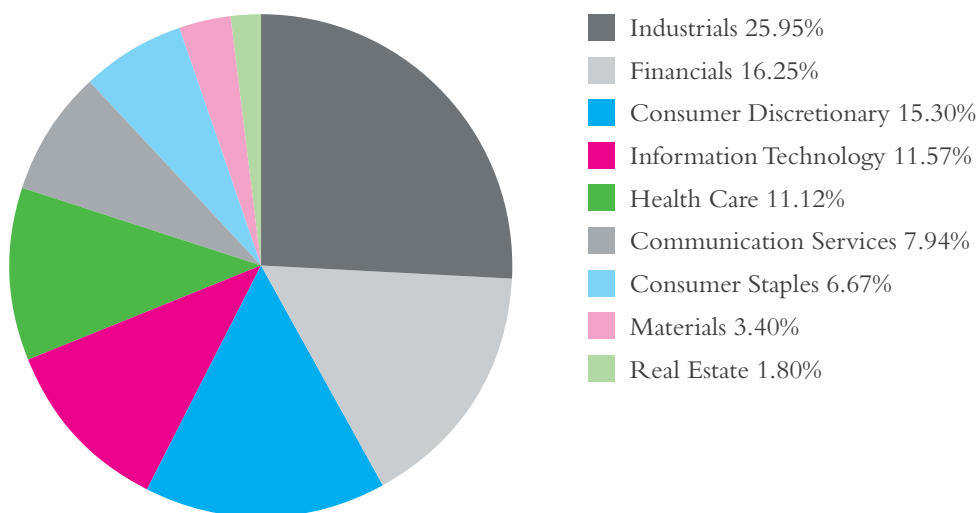
The return after charges has been calculated in accordance with the Statement of Recommended Practice for UK Authorised Funds' (SORP) prescribed calculation methodology. This is for financial statement reporting purposes only and may differ from the Fund's performance disclosed in the Report of the Investment Manager.

\*\* Operating charges comprise the Manager's annual management charge and other expenses, including VAT, but before taking account of rebates, as these only offset charges incurred within the underlying funds. The percentages above reflect these charges divided by average net assets for the period/year.

\*\*\* Operating charges includes VAT reclaims received during the period/year. Industry guidance requires a 'synthetic' operating charge figure to be calculated where a Fund invests a proportion of its assets in other funds. Operating charges as at 30 June 2023 include synthetic costs of 0.03% (31 December 2022: 0.03%) which represent the OCF of the underlying funds weighted on the basis of the investment proportion. Synthetic cost were not included in previous periods.

**PORTFOLIO ANALYSIS**  
at 30 June 2023 (unaudited)

**Portfolio Allocation**



The portfolio analysis above differs from the following portfolio statement because prices used here are mid-market rather than bid.



**PORTFOLIO STATEMENT**  
at 30 June 2023 (unaudited)

	Holding	Fair value £'000	% of total net assets
<b>UNITED KINGDOM 82.24% (31.12.2022 – 90.09%)</b>			
<b>Communication Services 6.68 % (31.12.2022 – 6.25%)</b>			
Auto Trader Group	390,824	2,386	3.57
Rightmove	397,375	2,079	3.11
<b>Consumer Discretionary 13.85% (31.12.2022 – 13.89%)</b>			
Burberry	90,438	1,916	2.87
Compass Group	85,955	1,892	2.83
Greggs	36,514	933	1.40
InterContinental Hotels Group	36,321	1,974	2.95
The Berkeley Group Holdings	21,357	838	1.25
Watches of Switzerland Group	279,362	1,705	2.55
<b>Consumer Staples 5.49% (31.12.2022 – 6.73%)</b>			
Reckitt Benckiser	28,588	1,690	2.53
Unilever	48,308	1,979	2.96
<b>Financials 11.71% (31.12.2022 – 13.02%)</b>			
Admiral Group	55,390	1,153	1.73
Intermediate Capital Group	194,743	2,683	4.01
London Stock Exchange Group	25,929	2,169	3.24
Prudential	164,630	1,825	2.73
<b>Health Care 7.85% (31.12.2022 – 10.99%)</b>			
AstraZeneca	16,378	1,847	2.76
CVS Group	94,956	1,878	2.81
Genus	70,281	1,522	2.28

**PORTFOLIO STATEMENT**  
at 30 June 2023 (unaudited)

	Holding	Fair value £'000	% of total net assets
<b>Industrials 25.31% (31.12.2022 – 24.44%)</b>			
Bunzl	55,887	1,676	2.51
Diploma	56,172	1,676	2.51
Discoverie Group	128,594	1,079	1.61
Experian	91,523	2,761	4.13
Ferguson Newco	18,963	2,353	3.52
Genuit Group	293,586	862	1.29
Intertek Group	41,212	1,757	2.63
Judges Scientific	9,806	892	1.33
RELX	96,812	2,537	3.79
Spirax-Sarco Engineering	12,864	1,333	1.99
<b>Information Technology 6.26% (31.12.2022 – 7.16%)</b>			
Halma	68,197	1,553	2.32
Sage Group	284,660	2,633	3.94
<b>Materials 3.32% (31.12.2022 – 5.40%)</b>			
Croda International	27,637	1,554	2.32
DS Smith	245,667	668	1.00
<b>Real Estate 1.77% (31.12.2022 – 2.21%)</b>			
Empiric Student Property	623,301	525	0.79
Tritax Big Box REIT	522,007	652	0.98
<b>OVERSEAS EQUITIES 15.34% (31.12.2022 – 8.48%)</b>			
<b>DEVELOPED EUROPE 1.01% (31.12.2022 – 1.02%)</b>			
<b>Consumer Staples 1.01% (31.12.2022 – 1.02%)</b>			
Kerry Group	8,929	678	1.01

**PORTFOLIO STATEMENT**  
at 30 June 2023 (unaudited)

	Holding	Fair value £'000	% of total net assets
<b>NORTH AMERICA 13.31% (31.12.2022 – 6.64%)</b>			
<b>Communication Services 1.07% (31.12.2022 – 0.62%)</b>			
Alphabet Class C	7,540	717	1.07
<b>Consumer Discretionary 1.08% (31.12.2022 – 0.48%)</b>			
Amazon.com	7,062	724	1.08
<b>Health Care 3.00% (31.12.2022 – 1.09%)</b>			
Thermo Fisher Scientific	2,494	1,023	1.53
UnitedHealth Group	2,603	984	1.47
<b>Financials 4.15% (31.12.2022 – 0.87%)</b>			
Intercontinental Exchange Group	9,488	844	1.26
S&P Global	2,730	861	1.29
Visa Class A	5,739	1,071	1.60
<b>Information Technology 4.01% (31.12.2022 – 3.58%)</b>			
Accenture	2,764	670	1.00
Adobe	1,833	705	1.05
Microsoft	4,888	1,308	1.96
<b>ASIA PACIFIC EX JAPAN 1.02% (31.12.2022 – 0.82%)</b>			
<b>Information Technology 1.02% (31.12.2022 – 0.82%)</b>			
Taiwan Semiconductor Manufacturing Company	8,607	683	1.02
<b>INVESTMENT ASSETS</b>		65,248	97.58
<b>NET OTHER ASSETS</b>		1,615	2.42
<b>TOTAL NET ASSETS</b>		66,863	100.00

All investments are listed on recognised stock exchanges or traded on or under the rules of an eligible securities market.

**STATEMENT OF TOTAL RETURN**  
for the half year ended 30 June 2023 (unaudited)

	Period ended 30.06.2023		Period ended 30.06.2022	
	£'000	£'000	£'000	£'000
Income				
Net capital gains/(losses)		3,267		(17,313)
Revenue	931		955	
Expenses	(221)		(221)	
Net revenue before taxation	710		734	
Taxation	5		–	
Net revenue after taxation		715		734
<b>Total return/(deficit) before distributions</b>		<b>3,982</b>		<b>(16,579)</b>
Distributions		(1,146)		(1,149)
<b>Change in net assets attributable to Shareholders from investment activities</b>		<b>2,836</b>		<b>(17,728)</b>

**STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS**  
for the year ended 30 June 2023 (unaudited)

	Period ended 30.06.2023		Period ended 30.06.2022	
	£'000	£'000	£'000	£'000
<b>Opening net assets attributable to Shareholders</b>		<b>64,683</b>		<b>81,327</b>
Amounts receivable on issue of Shares	112		411	
Amounts payable on cancellation of Shares	(797)		(980)	
		(685)		(569)
Change in net assets attributable to Shareholders from investment activities		2,836		(17,728)
Retained distributions on Accumulation Shares		29		29
<b>Closing net assets attributable to Shareholders</b>		<b>66,863</b>		<b>63,059</b>

The note on page 22 and distribution tables on page 23 form part of these financial statements.

The above statement shows the comparative closing net assets at 30 June 2022, whereas the opening net assets for the current accounting period commenced on 1 January 2023.

## BALANCE SHEET

at 30 June 2023 (unaudited)

	30.06.2023		31.12.2022	
	£'000	£'000	£'000	£'000
<b>ASSETS</b>				
Fixed assets:				
Investments		65,248		63,761
Current assets:				
Debtors	245		123	
Cash equivalents	1,250		1,175	
Cash and bank balances	721		252	
Total current assets		2,216		1,550
<b>Total assets</b>		<b>67,464</b>		<b>65,311</b>
<b>LIABILITIES</b>				
Creditors:				
Other creditors	47		47	
Distribution payable on Income Shares	554		581	
<b>Total creditors</b>		<b>601</b>		<b>628</b>
<b>Total liabilities</b>		<b>601</b>		<b>628</b>
<b>Net assets attributable to Shareholders</b>		<b>66,863</b>		<b>64,683</b>

The financial statements on pages 20 to 23 have been approved by the Trustee.

Approved on behalf of the Trustee  
4 September 2023

A Brookes, Chair  
CBF Funds Trustee Limited

The note on page 22 and distribution tables on page 23 form part of these financial statements.

NOTE TO THE FINANCIAL STATEMENTS  
for the half year ended 30 June 2023 (unaudited)

1. Accounting policies

*Basis of preparation*

The financial statements have been prepared on a going concern basis, in compliance with FRS 102, the Trust Deed, The Church Funds Investment Measures Act 1958 and the Trustee Act 2000.

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments.

The Fund is exempt from preparing a statement of cash flows under FRS 102 and the Church Funds Investment Measures Act 1958 as substantially all of the Fund's investments are highly liquid, substantially all of the Fund's investments are carried at market value and the Fund provides a statement of change in net assets.

Unless otherwise stated, all other accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2022 and are described in those financial statements.

## DISTRIBUTION TABLES

for the half year ended 30 June 2023 (unaudited)

Period ended	Date payable/paid		Dividends payable/paid pence per Share	
	2023	2022	2023	2022
<b>Income Shares</b>				
31 March	31 May	31 May	1.59	1.59
30 June	31 August	31 August	1.59	1.59
			3.18	3.18

Period ended	Revenue accumulated pence per Share	
	2023	2022
<b>Accumulation Shares</b>		
31 March	1.77	1.92
30 June	3.12	2.89
	4.89	4.81

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**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 from time to time) and the Trustee Act 2000 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 agree their terms of engagement;
- determine the rate of remuneration of the Manager in accordance with the Measure and the Scheme Information;
- exercise supervision and oversight of 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;
- review the appointment, supervision and oversight of any Registrar or other delegate whom it has appointed in accordance with the provisions of the Scheme Information;
- review the custody and control of the property of the Fund and the collection of all revenue 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 share 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.



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**STATEMENT OF TRUSTEE AND MANAGER RESPONSIBILITIES****Preparation of financial statements**

The Trustee of the Fund is required, by the Measure, to prepare Financial Statements which give a true and fair view of the financial position of the Fund at each interim and year end valuation date. The net revenue for the year, together with a report on the operation of the Fund, is also required.

The financial statements show the net asset value of the Shares in the Fund as at the date to which the financial statements are prepared, the amount of revenue per Share and the amount of revenue, if any, to be transferred to capital pursuant to paragraph 11 of the Schedule to the Measure. In preparing the financial statements, 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 FRS 102;
- follows generally accepted accounting principles and applicable United Kingdom accounting standards;
- keeps proper accounting records which enables them to demonstrate that the financial statements, as prepared, comply with the above requirements;

- makes judgments and estimates that are prudent and reasonable; and
- prepares the financial statements on the going concern basis 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.

**Manager responsibilities**

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.

**CBF Funds Trustee Limited**  
(Charity Registration No. 1116932)

**DIRECTORY**

**Trustee Directors**

A Brookes (Chair)  
C Chan\*  
P Chandler  
G Dixon\* – resigned on 22 May 2023  
O Home – appointed on 4 September 2023  
C Johnson  
N Lewis\*  
A Milligan – appointed on 4 September 2023  
M Orr – appointed on 4 September 2023  
D Rees\*

\* *Members of the Audit Committee*

**Manager and Registrar**

Registered Office  
One Angel Lane  
London  
EC4R 3AB  
Telephone: 0207 489 6000  
Client Service:  
Freephone: 0800 022 3505  
Email: [clientservices@ccla.co.uk](mailto:clientservices@ccla.co.uk)  
[www.ccla.co.uk](http://www.ccla.co.uk)  
*Authorised and regulated by the Financial Conduct Authority*

**Administrator**

HSBC Bank plc  
8 Canada Square  
Canary Wharf  
London  
E14 5HQ  
*HSBC Bank plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority*

**Executive Directors of the Manager**

P Hugh Smith (Chief Executive Officer)  
E Sheldon (Chief Operating Officer)  
A Robinson, MBE (Director Market Development)

**Non-Executive Directors of the Manager**

R Horlick (Chair)  
J Jesty  
C Johnson  
A Roughead  
C West  
J Hobart

**Fund Managers**

J Ayre  
C Ryland

**Company Secretary**

J Fox

**Chief Risk Officer**

J-P Lim

**Head of Sustainability**

J Corah

**Third Party Advisers**

**Banker**

HSBC Bank plc  
8 Canada Square  
Canary Wharf  
London  
E14 5HQ

**Custodian**

HSBC Bank plc  
8 Canada Square  
Canary Wharf  
London  
E14 5HQ

**Independent Auditor**

Deloitte LLP  
110 Queen Street  
Glasgow  
G1 3BX

## ABOUT CCLA

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Founded in 1958, CCLA is now the UK's largest charity fund manager. Well known for managing investments for charities, religious organisations and the public sector, CCLA began a new phase in its development in 2022, now welcoming other types of investor.

Our purpose is to help our clients maximise their impact on society by harnessing the power of investment markets. This requires us to provide a supportive and stable environment for our staff and deliver trusted, responsibly managed and strongly performing products and services to our clients, irrespective of their size.

# CCLA

**CCLA Investment Management Limited**  
One Angel Lane, London EC4R 3AB  
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[www.ccla.co.uk](http://www.ccla.co.uk)

CCLA is the trading name for CCLA Investment Management Limited (Registered in England and Wales No. 2183088) and CCLA Fund Managers Limited (Registered in England and Wales No. 8735639)

Both companies are authorised and regulated by the Financial Conduct Authority. Registered address: One Angel Lane, London EC4R 3AB.

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