CCLA INVESTMENT FUNDS ICVC
ANNUAL REPORT AND
FINANCIAL STATEMENTS

Year ended 31 December 2024

CCLA

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*Collectively, these comprise the Authorised Corporate Director's Report.
**Audited.

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 Annual Report and Financial Statements are available in large print and audio formats.

REPORT OF THE AUTHORISED CORPORATE DIRECTOR
for the year ended 31 December 2024

The Financial Statements
We are pleased to present the Annual Report and Financial Statements for CCLA Investment Funds ICVC (the Company) and its sub-funds, the CCLA Better World Global Equity Fund and the CCLA Cautious Multi-Asset Fund for the year ended 31 December 2024.

The Company
The Company is an investment company with variable capital incorporated in England and Wales under registered number IC065193 and authorised by the Financial Conduct Authority with effect from 2 February 2022 under product reference number (PRN) 969184.

The Company is structured as an umbrella company, in that different sub-funds may be established from time to time by the Authorised Corporate Director (ACD) with the approval of the FCA. The Company is a UK UCITS for the purposes of the OEIC Regulations and FCA Handbook of Rules and Guidance (including the COLL Sourcebook) and the UCITS Directive (together the Regulations).

On the 16 February 2024 a new sub-fund, the CCLA Better World Cautious Fund was launched following regulatory and shareholder approvals to transfer the assets and liabilities of the Diversified Income Fund to the new sub-fund. The name of the fund was changed from The CCLA Better World Cautious Fund to the CCLA Cautious Multi-Asset Fund on 2 December 2024.

Sub-Funds
The assets of each sub-fund will be treated as separate from those of every other sub-fund and will be invested in accordance with the investment objective and investment policy applicable to that sub-fund. Investment of the assets of each of the sub-funds must comply with the COLL Sourcebook and the investment objective and policy of the relevant sub-fund.

The investment objective and policy of each sub-fund will be formulated by the ACD at the time of creation of the relevant sub-fund, which may be varied from time to time subject to the requirements regarding Shareholder approval and FCA consent as set out in the Regulations.

CCLA Investment Management Limited
Authorised Corporate Director
22 April 2025

RESPONSIBILITIES OF AND CERTIFICATION OF THE FINANCIAL STATEMENTS BY THE AUTHORISED CORPORATE DIRECTOR

for the year ended 31 December 2024

Statement of the ACD's Responsibilities
The Authorised Corporate Director ("ACD") of CCLA Investment Funds ICVC ("Company") is responsible for preparing the Annual Report and the financial statements in accordance with the Open-Ended Investment Companies Regulations 2001 ("the OEIC Regulations"), the Financial Conduct Services Authority's Collective Investment Schemes' Sourcebook ("COLL") and the Company's Instrument of Incorporation.

The OEIC Regulations and COLL require the ACD to prepare financial statements for each accounting period which:

- are in accordance with United Kingdom Generally Accepted Accounting Practice ("United Kingdom Accounting Standards and applicable law"), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Statement of Recommended Practice for UK Authorised Funds (SORP) issued by the Investment Association in May 2014 (and amended in June 2017); and

- give a true and fair view of the financial position of the Company (and each of its sub-funds) as at the end of that period and the net revenue and the net capital gains or losses on the property of the Company (and each of its sub-funds) for that period.

In preparing the financial statements, the ACD is required to:

- select suitable accounting policies and then apply them consistently;

- make judgments and estimates that are reasonable and prudent;

- state whether applicable UK Accounting Standards and the SORP have been followed, subject to any material departures disclosed and explained in the financial statements; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in operation.

The ACD is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the applicable SORP and United Kingdom Accounting Standards and applicable law. The ACD is also responsible for the system of internal controls, for safeguarding the assets of the Company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

RESPONSIBILITIES OF AND CERTIFICATION OF THE FINANCIAL STATEMENTS BY THE AUTHORISED CORPORATE DIRECTOR

for the year ended 31 December 2024

In accordance with COLL 4.5.8BR, the Annual Report and the unaudited financial statements were approved by the board of directors of the ACD of the Company and authorised for issue on 22 April 2025.

Climate-related financial disclosures
CCLA recognises that the investments within the sub-funds have an impact on the health of the climate. Equally, climate change could influence the performance of investments in the sub-funds because healthy markets need a healthy planet and healthy communities.

CCLA produces a TCFD Product Report for each fund it manages, which are consistent with the recommendations issued by the Task Force on Climate-related Financial Disclosures (TCFD). The TCFD Product Reports are designed to help you understand how the sub-funds are exposed to climate-related risks.

These reports are available on the relevant fund page at www.ccla.co.uk/investments.

ACD's Statement
We hereby approve the Annual Report and Unaudited Financial Statements of the CCLA Investment Funds ICVC for the year ended 31 December 2024 on behalf of CCLA Investment Funds ICVC in accordance with the requirements of the Collective Investment Schemes sourcebook of the Financial Conduct Authority.

P Hugh Smith
Director of the ACD
22 April 2025

E Sheldon
Director of the ACD
22 April 2025

STATEMENT OF THE DEPOSITARY'S RESPONSIBILITIES
for the year ended 31 December 2024

Statement of the Depositary's responsibilities
The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228), as amended, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Company's Instrument of Incorporation and Prospectus (together "the Scheme documents") as detailed below.

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Company and its investors.

The Depositary is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Company in accordance with the Regulations.

The Depository must ensure that:

- the Company's cash flows are properly monitored and that cash of the Company is booked into the cash accounts in accordance with the Regulations;

- the sale, issue, repurchase, redemption and cancellation of shares are carried out in accordance with the Regulations;

- the value of shares of the company are calculated in accordance with the Regulations;

- any consideration relating to transactions in the Company's assets is remitted to the Company within the usual time limits;

- the Company's income is applied in accordance with the Regulations; and

- the instructions of the Authorised Corporate Director ("the ACD"), which is the UCITS Management Company, are carried out (unless they conflict with the Regulations).

The Depositary also has a duty to take reasonable care to ensure that the Company is managed in accordance with the Regulations and Scheme documents in relation to the investment and borrowing powers applicable to the Company.

Having carried out such procedures as we consider necessary to discharge our responsibilities as depositary of the company, it is our opinion, based on the information available to us and the explanations provided, that in all material respects the company, acting through the ACD:

(i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the Regulations and the Scheme documents of the Company; and
(ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

STATEMENT OF THE DEPOSITARY'S RESPONSIBILITIES
for the year ended 31 December 2024

The report is given on the basis that no breaches are subsequently advised to us before the distribution date. We therefore reserve the right to amend the report in the light of such circumstances.

HSBC Bank plc
Trustee and Depositary Services
8 Canada Square
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
22 April 2025

INDEPENDENT AUDITOR'S REPORT
for the year ended 31 December 2024

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of CCLA Investment Funds ICVC (the 'company'):

- give a true and fair view of the financial position of the company and its sub-funds as at 31 December 2024 and of the net revenue and the net capital gains on the property of the company for the year ended 31 December 2024; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the Statement of Recommended Practice "Financial Statements of UK Authorised Funds", the rules in the Collective Investment Schemes Sourcebook and the Instrument of Incorporation.

We have audited the financial statements which comprise for each sub-fund:

- the statement of total return;
- the statement of change in net assets attributable to shareholders;
- the balance sheet;
- the distribution table
- the accounting policies and individual notes 1 to 15.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), the Statement of Recommended Practice: "Financial Statements of UK Authorised Funds" issued by the Investment Association in May 2014, as amended in June 2017the Collective Investment Schemes Sourcebook and the Instrument of Incorporation.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENT AUDITOR'S REPORT
for the year ended 31 December 2024

Conclusions relating to going concern
In auditing the financial statements, we have concluded that the authorised corporate director's (ACD's) use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the ACD with respect to going concern are described in the relevant sections of this report.

Other information
The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The ACD is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of depositary and ACD
As explained more fully in the Statement of the Depositary's Responsibilities and the Responsibilities and Certification of the Financial Statements by the Authorised Corporate Director, the depositary is responsible for the safeguarding the property of the company and the ACD is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the ACD determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITOR'S REPORT
for the year ended 31 December 2024

In preparing the financial statements, the ACD is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the ACD either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the ACD about their own identification and assessment of the risks of irregularities, including those that are specific to the company's business sector.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the Collective Investment Schemes Sourcebook and relevant tax legislations; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included Open-Ended Investment Companies Regulations 2001.

INDEPENDENT AUDITOR'S REPORT
for the year ended 31 December 2024

We discussed among the audit engagement team including relevant internal specialists such as and IT specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements
Opinions on other matters prescribed by the Collective Investment Schemes Sourcebook
In our opinion:

- proper accounting records for the company and the sub-funds have been kept and the financial statements are in agreement with those records;
- we have received all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit; and
- the information given in the ACD's report for the year ended 31st December 2024 is consistent with the financial statements.

INDEPENDENT AUDITOR'S REPORT
for the year ended 31 December 2024

Use of our report

This report is made solely to the company's shareholders, as a body, in accordance with Paragraph 4.5.12R of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority. Our audit work has been undertaken so that we might state to the company's shareholders 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 company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Deloitte LLP
Statutory Auditor
Glasgow, United Kingdom
22 April 2025

ACCOUNTING POLICIES
for the year ended 31 December 2024

The following accounting policies apply to all Sub-Funds, where applicable.

(a) Basis of preparation

The financial statements have been prepared on a going concern basis, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice: "Financial Statements of Authorised Funds" issued by the Investment Management Association ("SORP") in May 2014 (and amended in June 2017) OEIC Regulations and FCA Handbook of Rules and Guidance (including the COLL Sourcebook). The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments.

As stated in the Statement of the ACD's responsibilities in relation to the report and financial statements of the Company on page 5, the ACD continues to adopt the going concern basis in the preparation of the financial statements of each Sub-Fund.

(b) Revenue recognition

Dividends on ordinary stocks, including special dividends where appropriate, distributions received on collective investment schemes, preference shares and unit trusts are accrued to revenue on the dates when the investments are first quoted ex-dividend, or otherwise on receipt of cash. Interest on bank deposits and the CCLA Public Sector Deposit Fund are accrued on a daily basis.

(c) Stock dividends

The ordinary element of stock received in lieu of cash dividends is recognised as revenue of the Company. Any enhancement above the cash dividend is treated as capital.

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

The underlying circumstances behind a special dividend, share buy-back or additional share issue are reviewed on a case by case basis in determining whether the amount is revenue or capital in nature. Amounts recognised as revenue form part of the distribution.

It is likely that where the receipt of a special dividend, share buy back, additional share issues results in a significant reduction in the capital value of the holding, then the special dividend, share buy back, additional share issue is treated as capital in nature so as to ensure the matching principle is applied to gains and losses. Otherwise, the special dividend, share buy back, traditional share issue is treated as revenue.

ACCOUNTING POLICIES
for the year ended 31 December 2024

(e) Cash equivalents
The ACD has treated some assets as Cash equivalents for the purpose of the Balance Sheet disclosure. Investments are regarded as Cash equivalents if they meet all of the following criteria:

- highly liquid investments held in pound sterling that are readily convertible to a known amount of cash;
- are subject to an insignificant risk of change in value; and
- provide a return no greater than the rate of a three month high quality government bond.

(f) Expenses
Please refer to the accounting policies section of each Sub-Fund.

(g) Distributions
Please refer to the accounting policies section for each Sub-Fund.

(h) Basis of valuation
Quoted investments are valued at bid market values, as at close of business on the last business day of the accounting period.

(i) Taxation
Provision is made for taxation at current rates on the excess of investment revenue over allowable expenses with relief for overseas taxation where appropriate.

Deferred tax is provided at current rates of corporation tax on all timing differences which have originated but not reversed by the balance sheet date. Deferred tax is not recognised on permanent differences.

Deferred tax assets are recognised only to the extent that it is more likely than not that there will be taxable profits from which the future reversal of the underlying timing differences can be deducted.

(j) Foreign Exchange
Transactions in foreign currencies during the period are translated into pound sterling (the functional currency of the Company and its Sub-Funds), at the rates of exchange ruling on the transaction date.

Amounts held in foreign currencies have been translated at the rate of exchange ruling at close of business on 31 December 2024, the last business day in the accounting period.

CCLA BETTER WORLD GLOBAL EQUITY FUND
SUB-FUND INFORMATION
for the year ended 31 December 2024

Investment Objective
The sub-fund aims to provide a total return (the combination of capital growth and income) over the long term (defined as any rolling period of 5 years) and is managed in line with CCLA's approach to investing for a better world as outlined in CCLA's Better World Policy.

There is no guarantee that the objective of the sub-fund will be achieved over any time period. Capital is at risk.

Benchmark
The comparator benchmark of the sub-fund is the MSCI World Index.

The ACD believes that this is an appropriate comparator benchmark as the sub-fund is a globally diversified portfolio of equities and we consider the MSCI World Index (GBP) as an appropriate representation of the returns from global equities. The sub-fund does not seek to replicate an index.

Investment Policy
The sub-fund aims to achieve its investment objective by investing typically at least 80% of its assets (directly or indirectly) in shares of companies (also known as equities) from around the world. The sub-fund will typically generally invest directly in such shares. The sub-fund will normally have significant allocations to developed markets but may also invest in emerging markets (as defined by MSCI for the purposes of its Developed and Emerging Markets Indicies).

Dependent on market conditions (such as political unrest, economic instability, war, the failure of large financial institutions or the closure of certain markets) and the ACD's view of the market, exposure to shares may be higher or lower for limited periods.

The sub-fund may also invest up to 20% in a range of other investments including: fixed/floating interest securities (also known as bonds) issued by governments and their agencies and by companies and other issuing bodies, infrastructure related assets (indirectly), money-market instruments, cash, near cash investments and emerging markets. The sub-fund's typical exposure to emerging markets will be 5% but may be up to 20%.

Exposure to these assets may be via direct holdings or indirectly through investment in other funds (including those managed and operated by the ACD and its Associates). Such funds may include exchange traded funds, closed-ended investment companies (including UK investment trusts) and open-ended funds.

Under normal circumstances, at least 80% of assets will be invested in shares (excluding any holdings in UK investment trusts or other closed end funds). However, at the ACD's discretion it may be necessary to temporarily hold a lower level in response to stressed economic and market environment conditions.

CCLA BETTER WORLD GLOBAL EQUITY FUND SUB-FUND INFORMATION

for the year ended 31 December 2024

The sub-fund is actively managed which means the ACD uses their discretion to pick investments to seek to achieve the investment objective. The sub-fund investments will vary over time in response to the economic and market environment and the ACD's expectations of future returns and volatility.

The ACD takes a long-term view of the requirement to grow real returns and focuses on constructing a portfolio to offset risks. The sub-fund will not have a concentrated portfolio or be restricted by sector or industry. The sub-fund may only use derivatives for Efficient Portfolio Management.

Sustainability Approach

This product does not have a UK sustainable investment label. Sustainable investment labels help investors find products that have a specific sustainability goal. The Sub-Fund does not use a sustainable investment label because it does not have a sustainability goal. However, the Sub-Fund is managed in line with CCLA's approach to investing for a better world (CCLA's Better World Policy).

CCLA's Better World policy

1. Acting as an agent for 'change'

Acting as an agent for 'change', because investment markets can only ever be as healthy as the environment and communities that support them. This is done by:

- Using the Sub-Fund's ownership rights to help improve the sustainability of the assets in which it invests. The ACD's approach is set out in its Engagement Policy and Voting Guidelines, both of which are available on CCLA's website (www.ccla.co.uk/about-us/policies-and-reports) and regularly updated.
- Bringing investors together to address systemic issues that have not had the attention that they require. The ACD prioritises selected themes based upon an assessment of the issue and the level of response by the investment community. Initially this will focus on climate change, addressing modern slavery in company supply chains and addressing poor corporate practices for protecting employees' mental health. The ACD's current priorities will be regularly disclosed on CCLA's website (www.ccla.co.uk/sustainability).
- Seeking to be a catalyst for change in the investment industry. Examples of how this is delivered may include the provision of training and the development of publicly available resources. Recognising the importance of engagement to the sustainability approach the ACD has adopted an engagement metric. The ACD, no less than annually, will disclose the proportion of portfolio holdings that have been engaged directly and report on the effectiveness of these engagements.

For details about engagement priorities and the outcomes that have been achieved please refer to the 'Sustainable Investment Outcomes' report which is available at www.ccla.co.uk.

CCLA BETTER WORLD GLOBAL EQUITY FUND SUB-FUND INFORMATION

for the year ended 31 December 2024

2. Assessing companies' environmental, social and governance criteria

Assessing companies' environmental, social and governance criteria because the ACD believes that a combination of legislation, regulation and changing societal preference will impact negatively on unsustainable business models. For this reason, the Sub-Fund will avoid investing in companies that have:

- Poor management and weak corporate governance. As defined by the ACD and informed by tools such as CCLA's proprietary corporate governance rating
- An unacceptable social and environmental impact, as defined by the ACD. Initially this will be defined as companies identified by CCLA, using data providers of their choice, as:
  - – producing landmines, cluster bombs, chemical/biological and/or nuclear (including fissile materials) weapons systems or substantial components thereof.
  - – producing tobacco products and/or deriving more than 5% of turnover from tobacco.
  - – not meeting CCLA's climate change criteria. This includes:
    1) minimum standards against which companies are assessed,
    2) a restriction upon investing in fossil fuel producers (defined as a company that derives more than 5% of revenue from the extraction of coal or tar sands and/or a company that derives more than 10% of revenue from the extraction and/or refining of oil and gas) and
    3) CCLA's commitment to achieve 'Net Zero' emissions listed equity portfolios no later than 2050. Further information is available on CCLA's website (www.ccla.co.uk/sustainability/initiatives/climate-action).
  - – being responsible for a significant controversial environmental and/or social incident and, following a period of engagement of no more than three years by the ACD, has not taken appropriate steps to respond to the damage caused. At launch a significant controversial incident will be defined as being assessed by a data provider of the ACD's choosing as either:
    1) failing an assessment of compliance with the UN Global Compact,
    2) failing an assessment of compliance with the UN Guiding Principles on Business and Human Rights and/or
    3) another equivalent approach to assessing controversies – such as the highest level controversy score.
- Not demonstrating a willingness to improve through investor engagement. Recognising the importance of climate change to the Sub-Fund's client base the ACD has adopted 'Weighted Average Carbon Intensity' as a key metric for managing the Sub-Fund. The ACD will disclose, no less than annually, the weighted average carbon intensity of the Sub-Fund, the proportion of the Sub-Fund that the disclosure applies to (as it is anticipated that the ACD will be unable to provide full disclosure due to unavailable data) and the listed-equity component of the Sub-Fund's position against the maximum carbon ceiling.

CCLA BETTER WORLD GLOBAL EQUITY FUND SUB-FUND INFORMATION
for the year ended 31 December 2024

More detail is available in our 'Climate for Good Investment' publication – available at https://www.ccla.co.uk/documents/climate-good-investment-tcfd/download?inline.

3. Investing in a way that we believe is aligned with our clients

- At launch this will preclude investment in:

a) companies identified by CCLA, using data providers of their choosing as:
   - Deriving >25% of revenue from alcohol production and/or retail.
   - Deriving >10% of revenue from gambling, civilian firearms, strategic military sales, high interest rate lending and/or the production and/or distribution of cannabis for the retail market.
   - Deriving>3% of revenue from adult entertainment production and/or distribution.

b) Fixed Income securities that are issued by a nation identified by CCLA as being amongst the world's most oppressive, using data sources of their choice including, but not limited to, Freedom House's Annual Freedom in the World Publication. The current list of precluded nations is available for inspection on CCLA's website.

c) Other investment funds that are assessed by CCLA, as per the approach set out in its values-based screening policy, as having any exposure to landmines, cluster munitions, chemical or biological weapons or exposures that materially contradict the above approach. At launch, this is defined as having more than 10% of Net Asset Value exposed to other precluded activity including rules related to nuclear weapons. As a final safeguard, we seek to ensure that the combined exposure to all restricted activities within such other investment fund holdings remains below 1% of the capital value of the Sub-Fund. Due to a lack of data this approach to assessing the eligibility of other investment funds is implemented on a 'best-endeavours' basis.

This will be implemented as per CCLA's Values Based Screening Policy, and may evolve over time. The policy and the current list of exclusions is available at www.ccla.co.uk.

- Reporting on the efficacy of this work to contribute to a 'better world'. This will be published annually on CCLA's website (www.ccla.co.uk).

Recognising the importance of restrictions to the Shareholders of the Sub-Fund the ACD will disclose the percentage of the MSCI World Index that is restricted from investment by the Sub-Fund.

CCLA BETTER WORLD GLOBAL EQUITY FUND
SUB-FUND INFORMATION
for the year ended 31 December 2024

4. Implementation of the Better World Policy
Should a portfolio holding cease to comply with the above approach, the ACD will establish a 6-month divestment window for the asset to be sold. This ensures that Shareholders are not financially disadvantaged by the Sub-Fund becoming an immediate forced seller.

The policy will be kept under review, and clients will be notified of any changes on CCLA's website (www.ccla.co.uk).

Additional information on the funds approach in these areas including its TCFD report, approach to sustainability and values-based screening can be found at www.ccla.co.uk/funds/ccla-better-world-global-equity-fund.

CCLA BETTER WORLD GLOBAL EQUITY FUND
REPORT OF THE INVESTMENT MANAGER
for the year ended 31 December 2024

Fund Strategy
Our starting point is to look for businesses that have a track record of strong returns on capital and the ability to sustain and improve those returns, building on clear competitive advantages. We build the portfolio on a 'bottom-up' basis, i.e. by selecting individual companies rather than setting percentage allocations to industries or regions.

We favour companies with robust financial positions and growth prospects that are not simply dependent on cyclical growth in the broad economy. This approach has resulted in high weightings to companies in the technology and healthcare sectors and to non-bank financial businesses. By contrast, the Fund has low weightings to utilities companies, and no holdings of oil and gas producers.

Performance
Over the year under review, the Fund's Class C (accumulation) shares returned 8.89%, after expenses. This performance compares with a return of 20.79% for the comparator. We manage the fund actively, so it is common for performance to be higher or lower than the comparator over any given reporting period.

The US stock market had an extraordinary year, returning over 27% in pound sterling. Even more extraordinary was the concentration of those returns in a handful of technology-focused businesses, the 'Magnificent 7' (Google's parent Alphabet, Amazon, Apple, facebook parent Meta Platforms, Microsoft, Nvidia and Tesla), and Nvidia particularly. Given our diversified approach to building portfolios, our underweight exposure, relative to the comparator, to businesses such as Nvidia and Apple was a headwind to relative performance.

To 31 December 2024	6 months %	1 year %	2 years % p.a.
Performance against benchmark (after expenses)			
CCLA Better World Global Equity Fund			
C Accumulation Shares*	**1.69**	**8.89**	**13.08**
C Income Shares*	**1.69**	**8.88**	**13.05**
I Accumulation Shares*	**1.73**	**8.97**	**13.17**
I Income Shares*	**1.73**	**8.98**	**13.12**
Comparator benchmark#	7.19	20.79	18.78

Comparator benchmark – The MSCI World Index (GBP).
* Mid to mid plus income re-invested.
Past performance is not a reliable indicator of future results.
Source: CCLA, Bloomberg & HSBC.

CCLA BETTER WORLD GLOBAL EQUITY FUND
REPORT OF THE INVESTMENT MANAGER
for the year ended 31 December 2024

In some other industries, market returns were also concentrated in a limited number of shares. This was the case with companies like Walmart and Costco in consumer goods, and with data centre exposed stocks in industrials.

Health care remained one of the portfolio's largest exposures in 2024, reflecting the long-term opportunities from ageing demographics and scientific innovations. But the sector lagged more exuberant parts of the market, and the Fund's holdings of life science businesses such as ThermoFisher and Danaher lagged within the sector. Other Fund holdings in healthcare performed well, including medical device companies Stryker and Essilor Luxottica.

Positions in financials told a similar story. The Fund's holdings in this sector delivered a respectable 15% return, led by Tradeweb (+47%) and Visa (+24%). But these returns were outpaced by a strong recovery in banking shares, especially in the US.

In software, the Fund's positions in Fortinet and ServiceNow performed well, but returns from other holdings, such as Roper, Adobe, Hexagon and Synopsys were lower. In our analysis, these attractively valued businesses continue to be well-placed to grow and compound earnings.

Market review
At the beginning of 2024, many investors considered that the high interest rates that central banks put in place to combat inflation might trigger recessions. In such a scenario, they feared, stock markets would struggle to advance in 2024. What transpired, however, was a record year for shares.

From early 2024, it became clearer that major economies would probably avoid recessions and continue to grow. US gross domestic product (GDP) grew 2.8% last year. The eurozone and UK economies also avoided recessions, growing 0.7% and 0.9% in 2024, respectively.

Secondly, inflation continued to fall in most countries, particularly in the first half of 2024. As a result, investors grew confident that central banks would cut interest rates soon. And they were right. Starting in June, the European Central Bank cut its deposit rate 1% in 2024. The Bank of England (BoE) cut its Official Bank Rate 0.50% between August and the end of the year. And in the US, the Fed cut its Federal Funds target rate 1.0% in 2024, starting in September.

CCLA BETTER WORLD GLOBAL EQUITY FUND REPORT OF THE INVESTMENT MANAGER

for the year ended 31 December 2024

Third, company results continued to go from strength to strength in 2024, especially in the tech sector. For example: the third quarter of 2024, the last quarter for which we have full results, was the fifth consecutive quarter of year-on-year earnings growth for companies in the S&P500. The November election of Donald Trump helped corporate sentiment, too, because his policies include corporate tax cuts and deregulation.

However: each of the above catalysts for higher share prices had a flip side. Investors' expectations of companies' earnings became so ambitious that, at times, shares prices fell when companies met their earnings targets or didn't beat them convincingly enough. That was briefly the case with, for example, Nvidia and Meta, among other stocks.

High economic growth, too, had its flip side. Investors welcomed Donald Trump's pro-business agenda. But they didn't lose sight of the fact that the Fed might stop cutting rates or even raise them, if Trump's policies put the US economy at risk of overheating.

And in the second half of 2024, inflation rebounded in many countries. UK consumer price (CPI) inflation, for example, fell to 1.7% in September, but rebounded to 2.6% in November, year on year. Above-target or volatile inflation made several central banks wary of cutting interest rates too fast. In December, the Fed forecast that it would cut rates by only 0.50% in 2025, instead of the 1.0% that investors were expecting. As a result, the S&P500 stock index fell 3% in two days, leading the index lower for the month.

Despite such temporary setbacks, however, stock markets had a record year. The MSCI World Index gained 20.79%, in pound sterling terms, and the S&P500 went up 25.02%, in US-dollar terms.

Outlook

The unpredictable nature of the Trump administration adds risk and uncertainty to financial markets. Since the end of 2024, it has become clear that President Trump intends to follow through with his tariff threats. As a result, the risks to the economic outlook have become more pronounced.

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REPORT OF THE INVESTMENT MANAGER
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Tariffs are a headwind to growth and will promote inflation. Market expectations and price falls in US stocks are already beginning to reflect this. The unpredictable nature of Trump's policies and the uncertainty that this creates for business is likely to increase volatility in financial markets.

Previously, we also discussed the unusually concentrated nature of market returns, that this was the exception rather than the rule, and that concentrating portfolios in a small number of highly correlated shares could be risky. In 2025, market breadth has begun to widen, with price falls in the so-called 'Magnificent 7' shares leading the market lower.

Against this backdrop, we have reduced the fund's exposure to IT and semiconductors in 2025. For stock-specific reasons, we have also reduced the fund's exposure to US health care. In regional terms, the net effect has been to reduce exposure to US shares and increase exposure to Europe, where, at the stock level, we can find compelling opportunities.

The world ahead looks uncertain and tariffs loom over the global economy. As a result, focusing on high-quality businesses, whose growth doesn't solely rely on the economic cycle, is important. High-quality businesses typically have higher margins, so higher costs from tariffs will have less of an impact on their profits. Similarly, quality businesses convey pricing power and have a greater ability to pass on higher costs to customers. Lastly, focusing on structural growth rather than cyclical growth should stand the portfolio in good stead if the economic situation deteriorates further.

C Ryland
Head of Investment
CCLA Investment Management Limited
22 April 2025

CCLA BETTER WORLD GLOBAL EQUITY FUND
REPORT OF THE INVESTMENT MANAGER
for the year ended 31 December 2024

Top ten changes in portfolio composition

	Cost £'000		Proceeds £'000
Purchases:		**Sales:**	
The Coca-Cola Company	5,105	Edwards Lifesciences	3,086
Compass Group	4,577	Costco Wholesale	2,967
O'Reilly Automotive	4,022	PepsiCo	2,716
Ashtead Group	3,602	Ametek	2,502
Gallagher (Arthur J)	3,561	Starbucks	2,375
Hermes International	3,439	Nike	2,359
Spirax-Sarco Engineering	3,401	The Blackstone Group	2,250
Epiroc	2,384	ServiceNow	2,187
Partners Group	1,881	Estée Lauder	2,119
McDonald's	1,768	UnitedHealth Group	1,980

When a stock has both purchases and sales in the year, 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 CCLA Better World Global Equity 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 CCLA Better World Global Equity 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 dealing day.

The CCLA Better World Global Equity Fund may invest in emerging market countries which could be subject to political and economic change.

CCLA BETTER WORLD GLOBAL EQUITY FUND
RISK AND REWARD INDICATOR
for the year ended 31 December 2024

The sub-fund utilises a Synthetic Risk and Reward Indicator (SRRI) to provide investors with a meaningful indication of the overall risk and reward profile of the sub-fund. The SRRI operates on a scale of 1 (lower risk/reward) to 7 (higher risk/reward).

1	2	3	4	5	**6**	7

Typically lower rewards (lower risk) — *Typically higher rewards (higher risk)*

The sub-fund's SRRI is 6 and is based on a simulation of the volatility of the sub-fund's value (using historical data) and it may change in the future. The sub-fund is in category 6 because it invests in company shares, which can be expected to provide potentially higher rewards for higher risks than other investments, such as bonds or cash.

Please refer to the sub-fund's Key Investor Information Document for further information on the SRRI.

A more detailed description of risk factors that apply to the sub-fund is set out in the latest Prospectus, which is available on CCLA's website or by request.

CCLA BETTER WORLD GLOBAL EQUITY FUND
COMPARATIVE TABLE
for the year ended 31 December 2024

Change in net assets per Share

	Class C Shares – Income		
	Year ended 31.12.2024 £ per Share	Year ended 31.12.2023 £ per Share	Period ended 31.12.2022 £ per Share**
Opening net asset value per Share	**1.63**	1.40	1.50
Return before operating charges*	**0.15**	0.26	(0.08)
Operating charges***	**(0.01)**	(0.01)	(0.01)
Return after operating charges*	**0.14**	0.25	(0.09)
Distributions on Income Shares	**(0.02)**	(0.02)	(0.01)
Closing net asset value per Share	**1.75**	1.63	1.40
* after direct transaction costs of:	**0.00**	0.00	0.00

** For the period from initial subscription on 8 April 2022 to 31 December 2022.

Performance			
Return after charges	**8.59%**	17.86%	(6.00%)
Other information			
Closing net asset value (£'000)	**7,194**	1,840	131
Closing number of Shares	**4,103,699**	1,129,149	93,064
Operating charges***	**0.68%**	0.68%	0.60%
Direct transaction costs	**0.05%**	0.03%	0.03%
Prices (£ per Share)			
Highest Share price	**1.80**	1.63	1.54
Lowest Share price	**1.58**	1.40	1.30

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 Sub-Fund's performance disclosed in the Report of the Investment Manager.

*** Operating charges comprise the ACD's periodic charge and other expenses, including VAT, but before taking account of rebates (if any), as these only offset charges incurred within the underlying funds. The percentages above reflect these charges divided by average net assets for the period. Operating charges per Share is calculated based on the actual expenses for the period.

CCLA BETTER WORLD GLOBAL EQUITY FUND
COMPARATIVE TABLE
for the year ended 31 December 2024

Change in net assets per Share

	Class C Shares – Accumulation		
	Year ended 31.12.2024 £ per Share	Year ended 31.12.2023 £ per Share	Period ended 31.12.2022 £ per Share**
Opening net asset value per Share	**1.66**	1.42	1.50
Return before operating charges*	**0.16**	0.25	(0.07)
Operating charges***	**(0.01)**	(0.01)	(0.01)
Return after operating charges*	**0.15**	0.24	(0.08)
Distributions on Accumulation Shares	**(0.02)**	(0.02)	(0.01)
Retained distributions on Accumulation Shares	**0.02**	0.02	0.01
Closing net asset value per Share	**1.81**	1.66	1.42
* after direct transaction costs of:	**0.00**	0.00	0.00

** For the period from initial subscription on 8 April 2022 to 31 December 2022.

Performance			
Return after charges	**9.04%**	16.90%	(5.33%)
Other information			
Closing net asset value (£'000)	**21,025**	10,172	829
Closing number of Shares	**11,629,593**	6,120,184	585,609
Operating charges***	**0.68%**	0.68%	0.65%
Direct transaction costs	**0.05%**	0.03%	0.03%
Prices (£ per Share)			
Highest Share price	**1.85**	1.66	1.54
Lowest Share price	**1.62**	1.42	1.30

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 Sub-Fund's performance disclosed in the Report of the Investment Manager.

*** Operating charges comprise the ACD's periodic charge and other expenses, including VAT, but before taking account of rebates (if any), as these only offset charges incurred within the underlying funds. The percentages above reflect these charges divided by average net assets for the period. Operating charges per Share is calculated based on the actual expenses for the period.

CCLA BETTER WORLD GLOBAL EQUITY FUND
COMPARATIVE TABLE
for the year ended 31 December 2024

Change in net assets per Share

	Class I Shares – Income		
	Year ended 31.12.2024 £ per Share	Year ended 31.12.2023 £ per Share	Period ended 31.12.2022 £ per Share**
Opening net asset value per Share	**1.63**	1.40	1.50
Return before operating charges*	**0.16**	0.26	(0.08)
Operating charges***	**(0.01)**	(0.01)	(0.01)
Return after operating charges*	**0.15**	0.25	(0.09)
Distributions on Income Shares	**(0.02)**	(0.02)	(0.01)
Closing net asset value per Share	**1.76**	1.63	1.40
* after direct transaction costs of:	**0.00**	0.00	0.00

** For the period from initial subscription on 8 April 2022 to 31 December 2022.

Performance			
Return after charges	**9.20%**	17.86%	(6.00%)
Other information			
Closing net asset value (£'000)	**3,510**	1,895	1
Closing number of Shares	**1,997,546**	1,161,147	671
Operating charges***	**0.58%**	0.58%	0.54%
Direct transaction costs	**0.05%**	0.03%	0.03%
Prices (£ per Share)			
Highest Share price	**1.81**	1.63	1.54
Lowest Share price	**1.59**	1.41	1.30

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 Sub-Fund's performance disclosed in the Report of the Investment Manager.

*** Operating charges comprise the ACD's periodic charge and other expenses, including VAT, but before taking account of rebates (if any), as these only offset charges incurred within the underlying funds. The percentages above reflect these charges divided by average net assets for the period. Operating charges per Share is calculated based on the actual expenses for the period.

CCLA BETTER WORLD GLOBAL EQUITY FUND
COMPARATIVE TABLE
for the year ended 31 December 2024

Change in net assets per Share

	Class I Shares – Accumulation		
	Year ended 31.12.2024 £ per Share	Year ended 31.12.2023 £ per Share	Period ended 31.12.2022 £ per Share**
Opening net asset value per Share	**1.67**	1.42	1.50
Return before operating charges*	**0.15**	0.26	(0.07)
Operating charges***	**(0.01)**	(0.01)	(0.01)
Return after operating charges*	**0.14**	0.25	(0.08)
Distributions on Accumulation Shares	**(0.02)**	(0.02)	(0.01)
Retained distributions on Accumulation Shares	**0.02**	0.02	0.01
Closing net asset value per Share	**1.81**	1.67	1.42
* after direct transaction costs of:	**0.00**	0.00	0.00

** For the period from initial subscription on 8 April 2022 to 31 December 2022.

Performance			
Return after charges	**8.38%**	17.61%	(5.33%)
Other information			
Closing net asset value (£'000)	**20,410**	11,314	1
Closing number of Shares	**11,259,602**	6,793,753	667
Operating charges***	**0.58%**	0.58%	0.54%
Direct transaction costs	**0.05%**	0.03%	0.03%
Prices (£ per Share)			
Highest Share price	**1.86**	1.67	1.55
Lowest Share price	**1.62**	1.42	1.30

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 Sub-Fund's performance disclosed in the Report of the Investment Manager.

*** Operating charges comprise the ACD's periodic charge and other expenses, including VAT, but before taking account of rebates (if any), as these only offset charges incurred within the underlying funds. The percentages above reflect these charges divided by average net assets for the period. Operating charges per Share is calculated based on the actual expenses for the period.

CCLA BETTER WORLD GLOBAL EQUITY FUND
COMPARATIVE TABLE
for the year ended 31 December 2024

Change in net assets per Share

	Class X Shares – Income		
	Year ended 31.12.2024 £ per Share	Year ended 31.12.2023 £ per Share	Period ended 31.12.2022 £ per Share**
Opening net asset value per Share	**1.65**	1.41	1.50
Return before operating charges*	**0.15**	0.26	(0.08)
Operating charges***	**(0.00)**	(0.00)	(0.00)
Return after operating charges*	**0.15**	0.26	(0.08)
Distributions on Income Shares	**(0.02)**	(0.02)	(0.01)
Closing net asset value per Share	**1.78**	1.65	1.41
* after direct transaction costs of:	**0.00**	0.00	0.00

** For the period from initial subscription on 8 April 2022 to 31 December 2022.

Performance			
Return after charges	**9.09%**	18.44%	(5.33%)
Other information			
Closing net asset value (£'000)	**256,234**	241,394	209,780
Closing number of Shares	**144,010,076**	146,665,483	148,859,673
Operating charges***	**0.03%**	0.03%	0.03%
Direct transaction costs	**0.05%**	0.03%	0.03%
Prices (£ per Share)			
Highest Share price	**1.83**	1.65	1.54
Lowest Share price	**1.60**	1.41	1.30

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 Sub-Fund's performance disclosed in the Report of the Investment Manager.

*** Operating charges comprise the ACD's periodic charge and other expenses, including VAT, but before taking account of rebates (if any), as these only offset charges incurred within the underlying funds. The percentages above reflect these charges divided by average net assets for the period. Operating charges per Share is calculated based on the actual expenses for the period.

CCLA BETTER WORLD GLOBAL EQUITY FUND
COMPARATIVE TABLE
for the year ended 31 December 2024

Change in net assets per Share

	Class X Shares – Accumulation		
	Year ended 31.12.2024 £ per Share	Year ended 31.12.2023 £ per Share	Period ended 31.12.2022 £ per Share**
Opening net asset value per Share	**1.68**	1.42	1.50
Return before operating charges*	**0.15**	0.26	(0.08)
Operating charges***	**(0.00)**	(0.00)	(0.00)
Return after operating charges*	**0.15**	0.26	(0.08)
Distributions on Accumulation Shares	**(0.02)**	(0.02)	(0.01)
Retained distributions on Accumulation Shares	**0.02**	0.02	0.01
Closing net asset value per Share	**1.83**	1.68	1.42
* after direct transaction costs of:	**0.00**	0.00	0.00

** For the period from initial subscription on 8 April 2022 to 31 December 2022.

Performance			
Return after charges	**8.93%**	18.31%	(5.33%)
Other information			
Closing net asset value (£'000)	**6,577**	3,993	1,569
Closing number of Shares	**3,586,002**	2,379,804	1,103,426
Operating charges***	**0.03%**	0.03%	0.03%
Direct transaction costs	**0.05%**	0.03%	0.03%
Prices (£ per Share)			
Highest Share price	**1.88**	1.68	1.55
Lowest Share price	**1.63**	1.42	1.30

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 Sub-Fund's performance disclosed in the Report of the Investment Manager.

*** Operating charges comprise the ACD's periodic charge and other expenses, including VAT, but before taking account of rebates (if any), as these only offset charges incurred within the underlying funds. The percentages above reflect these charges divided by average net assets for the period. Operating charges per Share is calculated based on the actual expenses for the period.

CCLA BETTER WORLD GLOBAL EQUITY FUND
OPERATING CHARGES ANALYSIS
for the year ended 31 December 2024

The table below analyses expenses in note 4 to the financial statements. These expenses also represent the total operating charges, which are shown below as a percentage of average net assets of the CCLA Better World Global Equity Fund.

Class C Shares – Income

	2024 %	2023 %
ACD's annual management charge	0.65	0.65
Safe custody fees and depositary fee	0.02	0.02
Other expenses	0.01	0.01
Total operating charges	0.68	0.68

Class C Shares – Accumulation

	2024 %	2023 %
ACD's annual management charge	0.65	0.65
Safe custody fees and depositary fee	0.02	0.02
Other expenses	0.01	0.01
Total operating charges	0.68	0.68

Class I Shares – Income

	2024 %	2023 %
ACD's annual management charge	0.55	0.55
Safe custody fees and depositary fee	0.02	0.02
Other expenses	0.01	0.01
Total operating charges	0.58	0.58

Class I Shares – Accumulation

	2024 %	2023 %
ACD's annual management charge	0.55	0.55
Safe custody fees and depositary fee	0.02	0.02
Other expenses	0.01	0.01
Total operating charges	0.58	0.58

CCLA BETTER WORLD GLOBAL EQUITY FUND
OPERATING CHARGES ANALYSIS
for the year ended 31 December 2024

Class X Shares – Income

	2024 %	2023 %
ACD's annual management charge	**0.00***	0.00*
Safe custody fees and depositary fee	**0.02**	0.02
Other expenses	**0.01**	0.01
Total operating charges	**0.03**	0.03

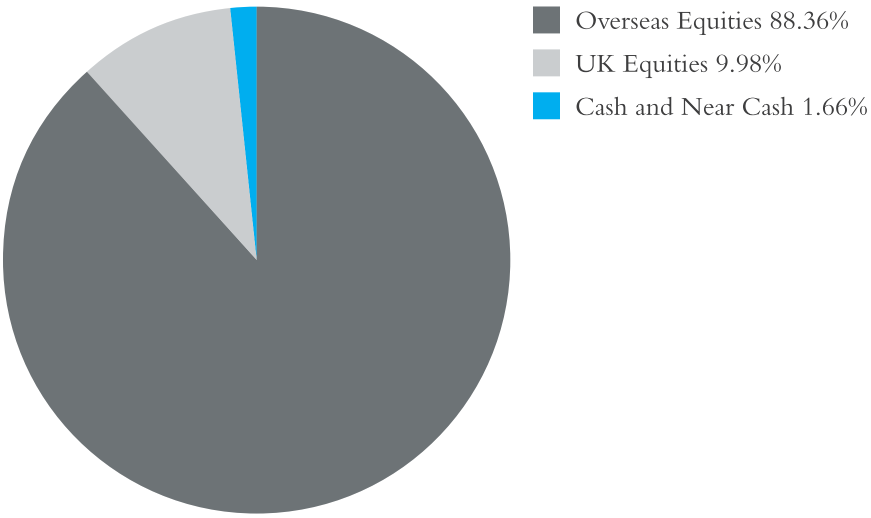
Class X Shares – Accumulation

	2024 %	2023 %
ACD's annual management charge	**0.00***	0.00*
Safe custody fees and depositary fee	**0.02**	0.02
Other expenses	**0.01**	0.01
Total operating charges	**0.03**	0.03

* The annual management charge for Class X Shares is subject to a separate agreement with the ACD and is not paid from the Scheme Property of the Class X Shares. Class X Shares may only be issued to CCLA funds or investors who have an agreement in place with the ACD in relation to the collection of an investment management fee or similar fee arrangement.

CCLA BETTER WORLD GLOBAL EQUITY FUND
PORTFOLIO ANALYSIS
at 31 December 2024

Portfolio Allocation



Breakdown of Overseas Equities by Geography

North America	62.41%
Developed Europe	19.20%
Asia Pacific ex Japan	4.53%
Other Countries	1.36%
Japan	0.86%
	88.36%

Breakdown of Equities by Sector

Information Technology	26.72%
Financials	20.47%
Health Care	16.08%
Industrials	13.57%
Consumer Discretionary	10.65%
Consumer Staples	5.22%
Communication Services	3.78%
Real Estate	0.99%
Utilities	0.86%
	98.34%

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

CCLA BETTER WORLD GLOBAL EQUITY FUND
PORTFOLIO STATEMENT
at 31 December 2024

	Holding	Fair value £'000	% of total net assets
UNITED KINGDOM – 9.98% (31.12.2023 – 8.09%)			
Consumer Discretionary – 2.69% (31.12.2023 – 1.43%)			
Compass Group	198,593	5,281	1.68
InterContinental Hotels Group	32,121	3,197	1.01
Financials – 1.64% (31.12.2023 – 2.03%)			
London Stock Exchange Group	45,832	5,172	1.64
Health Care – 1.15% (31.12.2023 – 1.33%)			
AstraZeneca	34,508	3,611	1.15
Industrials – 4.50% (31.12.2023 – 3.30%)			
Ashtead Group	61,483	3,050	0.97
Experian	126,331	4,352	1.38
RELX	112,138	4,068	1.29
Spirax-Sarco Engineering	39,609	2,715	0.86
OVERSEAS EQUITIES – 88.21% (31.12.2023 – 89.85%)			
DEVELOPED EUROPE – 19.15% (31.12.2023 – 16.99%)			
Communication Services – 1.45% (31.12.2023 – 1.33%)			
Universal Music Group	224,586	4,561	1.45
Consumer Discretionary – 2.39% (31.12.2023 – 1.41%)			
Hermes International	1,968	3,777	1.20
LVMH Moet Hennessy Louis Vuitton	7,123	3,743	1.19
Consumer Staples – 3.56% (31.12.2023 – 3.72%)			
Kerry Group	52,695	4,043	1.28
L'Oréal	10,568	2,982	0.95
Nestle	63,439	4,183	1.33
Financials – 3.24% (31.12.2023 – 2.41%)			
Deutsche Boerse	29,189	5,375	1.70
Partners Group	4,471	4,843	1.54
Health Care – 2.35% (31.12.2023 – 2.34%)			
Essilor International	22,309	4,303	1.37
Novo Nordisk	44,851	3,085	0.98

CCLA BETTER WORLD GLOBAL EQUITY FUND
PORTFOLIO STATEMENT
at 31 December 2024

	Holding	Fair value £'000	% of total net assets
Industrials – 3.29% (31.12.2023 – 2.58%)			
Epiroc	160,282	2,222	0.71
Schneider	18,266	3,638	1.15
Wolters Kluwer	34,136	4,517	1.43
Information Technology – 2.87% (31.12.2023 – 3.20%)			
ASML Holding	7,699	4,316	1.37
Hexagon	619,983	4,720	1.50
NORTH AMERICA – 62.34% (31.12.2023 – 66.09%)			
Communication Services – 2.30% (31.12.2023 – 1.89%)			
Alphabet C	47,683	7,250	2.30
Consumer Discretionary – 5.56% (31.12.2023 – 5.45%)			
Amazon.com	49,587	8,684	2.76
McDonald's	18,503	4,283	1.36
O'Reilly Automotive	4,809	4,553	1.44
Consumer Staples – 1.66% (31.12.2023 – 2.87%)			
The Coca-Cola Company	105,197	5,231	1.66
Financials – 13.04% (31.12.2023 – 12.76%)			
CME Group	29,269	5,427	1.72
Gallagher (Arthur J)	16,640	3,771	1.20
Intercontinental Exchange Group	40,444	4,812	1.53
Marsh & McLennan	26,461	4,488	1.43
Mastercard	13,260	5,582	1.77
S&P Global	13,588	5,409	1.72
Tradeweb Markets	44,741	4,677	1.48
Visa A	27,297	6,894	2.19

CCLA BETTER WORLD GLOBAL EQUITY FUND
PORTFOLIO STATEMENT
at 31 December 2024

	Holding	Fair value £'000	% of total net assets
Health Care – 12.61% (31.12.2023 – 16.24%)			
Abbott Laboratories	58,940	5,325	1.69
Agilent Technologies	31,878	3,420	1.09
Avantor	211,599	3,562	1.13
Danaher	21,152	3,878	1.23
ICON	28,598	4,785	1.52
Illumina	23,079	2,462	0.78
Stryker	12,287	3,533	1.12
Thermo Fisher Scientific	12,951	5,379	1.71
UnitedHealth Group	7,425	3,002	0.96
Zoetis	33,442	4,354	1.38
Industrials – 5.78% (31.12.2023 – 7.22%)			
Deere & Company	8,875	3,002	0.95
IDEX	18,881	3,157	1.00
Ingersoll Rand	32,545	2,351	0.75
Trane Technologies	11,037	3,257	1.04
TransUnion	48,559	3,593	1.14
Union Pacific	15,562	2,834	0.90
Information Technology – 19.54% (31.12.2023 – 19.01%)			
Accenture	12,520	3,520	1.12
Adobe	11,385	4,042	1.28
Ansys	17,928	4,828	1.53
Broadcom	29,892	5,532	1.76
Fortinet	59,746	4,507	1.43
Intuit	8,527	4,279	1.36
Microsoft	33,029	11,110	3.53
Nvidia	36,557	3,916	1.24
NXP Semiconductors	23,509	3,902	1.24
Roper Technologies	12,120	5,029	1.60
ServiceNow	3,948	3,340	1.06
Synopsys	10,967	4,246	1.35
Texas Instruments	21,998	3,294	1.04

CCLA BETTER WORLD GLOBAL EQUITY FUND
PORTFOLIO STATEMENT
at 31 December 2024

	Holding	Fair value £'000	% of total net assets
Real Estate – 0.99% (31.12.2023 – 0.00%)			
Alexandria Real Estate Equities	40,208	3,130	0.99
Utilities – 0.86% (31.12.2023 – 0.65%)			
NextEra Energy	47,519	2,720	0.86
JAPAN – 0.86% (31.12.2023 – 1.03%)			
Information Technology – 0.85% (31.12.2023 – 1.03%)			
Keyence	8,200	2,691	0.86
ASIA PACIFIC EX JAPAN – 4.51% (31.12.2023 – 4.17%)			
Financials – 2.54% (31.12.2023 – 2.52%)			
AIA Group	670,800	3,882	1.24
HDFC Bank	80,464	4,102	1.30
Information Technology – 1.97% (31.12.2023 – 1.65%)			
Taiwan Semiconductor Manufacturing Company	39,374	6,212	1.97
OTHER – 1.35% (31.12.2023 – 1.57%)			
Information Technology – 1.35% (31.12.2023 – 1.57%)			
Nice	31,474	4,263	1.35
INVESTMENT ASSETS		309,254	98.19
NET OTHER ASSETS		5,696	1.81
TOTAL NET ASSETS		314,950	100.00

Unless otherwise stated, all investments are listed on recognised exchanges or traded on or under the rules of an eligible securities market.

CCLA BETTER WORLD GLOBAL EQUITY FUND
STATEMENT OF TOTAL RETURN
for the year ended 31 December 2024

	Note	Year ended 31.12.2024 £'000	Year ended 31.12.2024 £'000	Year ended 31.12.2023 £'000	Year ended 31.12.2023 £'000
Income					
Net capital gains	2		22,450		37,382
Revenue	3	3,914		3,014	
Expenses	4	(326)		(129)	
Interest payable and similar charges		(1)		(2)	
Net revenue before taxation		3,587		2,883	
Taxation	5	(512)		(424)	
Net revenue after taxation			3,075		2,459
Total return before distributions			25,525		39,841
Distributions	6		(3,261)		(2,513)
Change in net assets attributable to Shareholders from investment activities			22,264		37,328

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
for the year ended 31 December 2024

	Year ended 31.12.2024 £'000	Year ended 31.12.2024 £'000	Year ended 31.12.2023 £'000	Year ended 31.12.2023 £'000
Opening net assets attributable to Shareholders		270,608		212,311
Amounts receivable on issue of Shares	46,726		29,567	
Amounts payable on cancellation of Shares	(25,084)		(8,726)	
		21,642		20,841
Change in net assets attributable to Shareholders from investment activities		22,264		37,328
Retained distributions on Accumulation Shares		436		128
Closing net assets attributable to Shareholders		314,950		270,608

The notes on pages 42 to 56 and the distribution tables on pages 57 to 60 form part of these financial statements.

CCLA BETTER WORLD GLOBAL EQUITY FUND
BALANCE SHEET
at 31 December 2024

		31.12.2024		31.12.2023	
	Note	£'000	£'000	£'000	£'000
ASSETS					
Fixed assets:					
Investments			**309,254**		265,044
Current assets:					
Debtors	7	**766**		283	
Cash equivalents	*8*	**4,000**		4,250	
Cash and bank balances	*8*	**1,930**		1,653	
Total current assets			**6,696**		6,186
Total assets			**315,950**		271,230
LIABILITIES					
Creditors:					
Other creditors	*9*	**268**		77	
Distribution payable on Income Shares		**732**		545	
Total liabilities			**1,000**		622
Net assets attributable to Shareholders			**314,950**		270,608

The financial statements on pages 40 to 60 have been approved by the ACD.

Approved on behalf of the ACD
22 April 2025

P Hugh Smith, Director
CCLA Investment Management Limited

The notes on pages 42 to 56 and the distribution tables on pages 57 to 60 form part of these financial statements.

CCLA BETTER WORLD GLOBAL EQUITY FUND
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

1. **Accounting policies**

Please see pages 14 to 15 for accounting basis and policies applicable to all Sub-Funds. Please see below for accounting basis and policies applicable to the CCLA Better World Global Equity Fund (the Sub-Fund).

(a) Basis of preparation

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

(b) Expenses

During the year, the annual management charge, paid to the ACD, was taken to the capital of the Sub-Fund before distribution. The fee is based on a fixed percentage of the value of the Fund and was 0.65% in relation to Class C Shares, 0.55% for Class I Shares and 0% in respect of Class X Shares. The annual management charge is calculated by reference to the daily Net Asset Value of the Fund.

The Depositary fee, audit, legal, safe custody fees and insurance fees are charged separately to the revenue of the Sub-Fund before distributions.

(c) Distributions

The policy of the CCLA Better World Global Equity Fund is to distribute all available revenue, excluding any items treated as capital and after deduction of expenses chargeable against revenue. Distributions are declared and paid quarterly.

It is the Sub-Fund's policy to calculate the distribution inclusive of the revenue on debt securities which is computed on an effective yield basis. A reconciliation of the net distribution to the net income of the Sub-Fund as reported in the statement of total return is shown in note 6.

CCLA BETTER WORLD GLOBAL EQUITY FUND
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

2. Net capital gains

	31.12.2024 £'000	31.12.2023 £'000
The net capital gains during the period comprise:		
Realised gains on non-derivative securities	**5,708**	1,477
Unrealised gains on non-derivative securities	**16,778**	35,960
Currency losses	**(36)**	(55)
	22,450	37,382

3. Revenue

	31.12.2024 £'000	31.12.2023 £'000
Overseas dividends	**3,177**	2,523
UK dividends	**354**	267
Deposit interest	**206**	167
Bank interest	**177**	57
	3,914	3,014

CCLA BETTER WORLD GLOBAL EQUITY FUND
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

4. Expenses

	31.12.2024 £'000	31.12.2023 £'000
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	230	54
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Safe custody fees	32	23
Depositary fee	45	36
	77	59
Other expenses:		
Audit fee	11	10
Other fees	8	6
	19	16
Total expenses	326	129

5. Taxation

	31.12.2024 £'000	31.12.2023 £'000
a) Analysis of charge in the year		
Corporate tax	37	30
Double tax relief	(17)	(8)
Overseas withholding tax	416	340
Reclaimable tax written off	76	62
Total tax charge (note 5b)	512	424

CCLA BETTER WORLD GLOBAL EQUITY FUND
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

5. **Taxation** *(continued)*

b) Factors affecting current tax charge for the year

The tax assessed for the period is lower than the standard rate of corporation tax in the UK for an Open-Ended Investment Company (20%). The differences are explained below:

	31.12.2024 £'000	31.12.2023 £'000
Net revenue before taxation	**3,587**	2,883
Corporation tax at 20% (31.12.2023: 20%)	**717**	577
Effects of:		
Revenue not subject to taxation	**(680)**	(547)
Tax relief on overseas tax suffered	**(17)**	(8)
Overseas withholding tax	**416**	340
Reclaimable tax written off	**76**	62
Total tax charge for the year (note 5a)	**512**	424

Authorised Open Ended Investment Companies are exempt from tax on capital gains, therefore any capital gains/(losses) are not included in the reconciliation above.

c) Provision for deferred tax

At 31 December 2024, there is no potential deferred tax asset in relation to surplus management expenses.

CCLA BETTER WORLD GLOBAL EQUITY FUND
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

6. Distributions

Distributions take account of revenue received on the issue of Shares and revenue deducted on the cancellation of Shares, and comprise:

	31.12.2024 £'000	31.12.2023 £'000
31 March – interim distribution	**590**	462
30 June – interim distribution	**1,234**	966
30 September – interim distribution	**605**	505
31 December – final distribution	**863**	601
	3,292	2,534
Add: revenue deducted on cancellation of Shares	**29**	10
Deduct: revenue received on issue of Shares	**(60)**	(31)
Net distribution for the year	**3,261**	2,513
Net revenue after taxation for the year	**3,075**	2,459
ACD's periodic charge	**230**	54
Tax on capital special dividends	**(44)**	–
Net distribution for the year	**3,261**	2,513

Details of the distribution per Shares are set out in the distribution tables on pages 57 to 60.

The ACD's periodic charge and other capital charges are added back, in the table above, to the net distribution for the period and deducted from capital.

There were unclaimed distributions as at 31 December 2024 of £nil (31.12.2023, £66).

CCLA BETTER WORLD GLOBAL EQUITY FUND
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

7. Debtors

	31.12.2024 £'000	31.12.2023 £'000
Accrued revenue	281	252
Amounts receivable on creation of Shares	485	31
	766	283

8. Cash equivalents, cash and bank balances

	31.12.2024 £'000	31.12.2023 £'000
Cash equivalents: cash in the CCLA Public Sector Deposit Fund	4,000	4,250
Cash and bank balances: cash at bank	1,930	1,653

9. Other creditors

	31.12.2024 £'000	31.12.2023 £'000
Purchases awaiting settlement	168	–
Accrued expenses	54	50
Corporation tax payable	14	7
Amount payable on cancellation of Shares	32	20
	268	77

10. Financial instruments

Fair value

Securities held by the Sub-Fund are valued at bid-market value. 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 Shares are included in the balance sheet at their fair value.

The main risks arising from the Sub-Fund's financial instruments and the ACD's policies for managing these risks are summarised below. These policies have been applied consistently throughout the year.

CCLA BETTER WORLD GLOBAL EQUITY FUND
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

10. Financial instruments ***(continued)***

Market price risk

This is an actively managed Sub-Fund which invests mainly in UK and overseas equities. Investors are thus exposed to market price risk, which can be defined as the uncertainty about future price movements of the financial instruments the Sub-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 positive correlation in the movement of the Share price to the markets the Sub-Fund is invested in. The Sub-Fund seeks to minimise the risks by holding a diversified portfolio of investments in line with the Sub-Fund's investment objectives. Risk is monitored at both a top-down and a bottom-up (stock selection) level by the ACD on a regular basis.

At 31 December 2024, if the price of the investments held by the Sub-Fund increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to Shareholders, and profit or loss, would increase or decrease respectively by approximately £15,463,000 (31.12.2023: £13,252,000).

Credit risk

The Sub-Fund's transactions in securities expose it to the risk that the counterparty will not deliver the investment for a purchase, the cash for a sale or the settlement amounts for forward currency contracts. To minimise this, the Sub-Fund only deals with an approved list of brokers maintained by the ACD. Depending on the counterparty, the Sub-Fund may employ collateral arrangements for forward currency contracts.

Liquidity risk

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

CCLA BETTER WORLD GLOBAL EQUITY FUND
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

10. Financial instruments ***(continued)***

Currency risk

The Sub-Fund is exposed to fluctuations in foreign currencies as some of its assets and revenue are denominated in currencies other than pound sterling, the base currency of the Sub-Fund. The Sub-Fund may enter into forward currency contracts to protect the pound sterling value of the underlying portfolio of securities against the effect of possible adverse movements in foreign exchange rates on investments and revenue accrued, but not yet received. In respect of revenue, receipts are converted to pound sterling shortly after receipt.

At 31 December 2024, if the value of pound sterling increased or decreased by 1% against all currencies, with all other variables remaining constant, then the net assets attributable to Shareholders, and profit or loss, would decrease or increase respectively by approximately £2,779,000 (31.12.2023: £2,434,000).

The total foreign currency exposure at 31 December 2024 was:

		31.12.2024			31.12.2023	
Currency	**Monetary exposures £'000**	**Non-monetary exposures £'000**	**Total £'000**	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000
Danish krone	**(38)**	**3,085**	**3,047**	–	2,936	2,936
Euro	**–**	**41,254**	**41,254**	–	31,669	31,669
Hong Kong dollar	**(45)**	**3,882**	**3,837**	–	3,333	3,333
Japanese yen	**–**	**2,691**	**2,691**	–	2,783	2,783
Swedish krona	**(84)**	**6,942**	**6,858**	–	4,341	4,341
Swiss franc	**–**	**9,026**	**9,026**	–	7,062	7,062
US dollar	**254**	**210,928**	**211,182**	249	191,045	191,294
Total	**87**	**277,808**	**277,895**	249	243,169	243,418

CCLA BETTER WORLD GLOBAL EQUITY FUND
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

10. Financial instruments ***(continued)***

Interest rate risk

The majority of the Sub-Fund's financial assets are equities which neither receive interest nor have maturity dates. The Sub-Fund also invests in cash deposits, the revenue of which may be affected by changes to interest rates relevant to particular securities or as a result of the ACD being unable to secure similar returns on 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.

A sensitivity analysis for interest rate risk is not shown as the impact is unlikely to be significant.

The total exposure at 31 December 2024 was:

Currency	Floating rate financial assets* £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
Pound sterling	1,930	4,000	31,958	37,888
Euro	–	–	41,254	41,254
Japanese yen	–	–	2,691	2,691
US dollar	–	–	211,182	211,182
Other	–	–	22,935	22,935
Total	1,930	4,000	310,020	315,950

Currency	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
Pound sterling	–	–	(833)	(833)
Other	–	–	(167)	(167)
Total	–	–	(1,000)	(1,000)

CCLA BETTER WORLD GLOBAL EQUITY FUND
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

10. Financial instruments ***(continued)***

Interest rate risk (continued)

The total exposure at 31 December 2023 was:

Currency	Floating rate financial assets* £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
Pound sterling	1,653	4,250	21,908	27,811
Euro	–	–	31,669	31,669
US dollar	–	–	191,295	191,295
Other	–	–	20,455	20,455
Total	1,653	4,250	265,327	271,230

Currency	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
Pound sterling	–	–	(622)	(622)
Total	–	–	(622)	(622)

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

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

11. Commitments and contingent liabilities

There were no commitments or contingent liabilities as at 31 December 2024 (31.12.2023, £nil).

CCLA BETTER WORLD GLOBAL EQUITY FUND
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

12. Related party transactions

The Sub-Fund's Authorised Corporate Director (ACD), CCLA Investment Management Limited is a related party to the Fund as defined by Financial Reporting Standard 102 'Related Party Disclosures'.

ACD fees charged by CCLA Investment Management Limited are shown in note 4 and details of shares created and cancelled by CCLA Investment Management Limited are shown in the Statement of Change in Net Assets Attributable to Shareholders and note 6.

At the year end the balance due to CCLA Investment Management Limited in respect of these transactions was £27,154 (31.12.2023: £11,447). At the year end, 2.03% (31.12.2023: 1.45%) of the shares in issue were held by CCLA Investment Management Limited.

At the year end, a cash balance of £4,000,000 (31.12.2023: £4,250,000) was held in the Public Sector Deposit Fund (PSDF), which is managed by CCLA Investment Management Limited.

As at 31 December 2024, The CBF Church of England Global Equity Fund, which is managed by CCLA Investment Management Limited, held 81.46% (31.12.2023: 89.20%) of the value of the Fund.

CCLA BETTER WORLD GLOBAL EQUITY FUND
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

13. Portfolio transaction costs

For the year ended 31 December 2024

	Value £'000	Commissions £'000	%	Taxes £'000	%	Other expense £'000	%	Total £'000
Analysis of total purchases costs								
Equity transactions	94,924	32	0.03	68	0.07	34	0.04	95,058
Corporate actions	2	–	–	–	–	–	–	2
Total	94,926	32		68		34		95,060

	Value £'000	Commissions £'000	%	Taxes £'000	%	Other expense £'000	%	Total £'000
Analysis of total sales costs								
Equity transactions	73,313	(24)	(0.03)	–	–	(1)	–	73,288
Corporate actions	16	–	–	–	–	–	–	16
Total	73,329	(24)		–		(1)		73,304

Commissions and taxes as a percentage of average net assets

Commissions	0.02%
Taxes	0.03%

The average portfolio dealing spread, including the effect of foreign exchange, as at 31 December 2024 was 0.09%.

CCLA BETTER WORLD GLOBAL EQUITY FUND
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

13. Portfolio transaction costs ***(continued)***

For the year ended 31 December 2023

	Value £'000	Commissions £'000	%	Taxes £'000	%	Other expense £'000	%	Total £'000
Analysis of total purchases costs								
Equity transactions	74,368	26	0.03	23	0.03	3	–	74,420
Corporate actions	2	–	–	–	–	–	–	2
Total	74,370	26		23		3		74,422

	Value £'000	Commissions £'000	%	Taxes £'000	%	Other expense £'000	%	Total £'000
Analysis of total sales costs								
Equity transactions	51,025	21	0.04	–	–	–	–	51,046
Corporate actions	24	–	–	–	–	–	–	24
Total	51,049	21		–		–		51,070

Commissions and taxes as a percentage of average net assets

Commissions	0.02%
Taxes	0.01%

The average portfolio dealing spread, including the effect of foreign exchange, as at 31 December 2023 was 0.03%.

For the current year in the case of equities, commissions and taxes are paid by the Sub-Fund on each transaction. In addition, there is a dealing spread between the buying and selling prices of the underlying investments. Unlike equities, the majority of other types of investments (such as bonds, money market instruments, derivatives) have no separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and market sentiment.

CCLA BETTER WORLD GLOBAL EQUITY FUND
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

14. Shareholders' funds – reconciliation of Shares

	31.12.2024			
	Class 'C' Shares Income	Class 'C' Shares Accumulation	Class 'I' Shares Income	Class 'I' Shares Accumulation
Opening number of Shares at beginning of year	1,129,149	6,120,184	1,161,147	6,793,753
Shares issued in year	3,113,530	7,131,058	993,035	7,700,319
Shares cancelled in year	(138,980)	(1,621,649)	(156,636)	(3,234,470)
Closing number of Shares at end of year	4,103,699	11,629,593	1,997,546	11,259,602

	Class 'X' Shares Income	Class 'X' Shares Accumulation
Opening number of Shares at beginning of year	146,665,483	2,379,804
Shares issued in year	6,570,175	1,206,198
Shares cancelled in year	(9,225,582)	–
Closing number of Shares at end of year	144,010,076	3,586,002

All Shares carry the same rights.

15. Fair value of financial assets and financial liabilities

In respect of financial assets and liabilities other than investments (including investment liabilities), there is no material difference between their value, as shown on the balance sheet, and their fair value.

Investments are held at fair value. An analysis of the valuation technique used to derive fair value of the investments is shown below:

The fair value of investments has been determined using the following hierarchy:

Level 1 The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2 Inputs other than quoted prices included above that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3 Inputs that are unobservable (i.e. for which market data is unavailable) for the asset or liability.

CCLA BETTER WORLD GLOBAL EQUITY FUND
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

15. Fair value of financial assets and financial liabilities *(continued)*

For the year ended 31 December 2024

Category	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investment assets	**309,254**	**–**	**–**	**309,254**
	309,254	**–**	**–**	**309,254**

For the year ended 31 December 2023

Category	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investment assets	265,044	–	–	265,044
	265,044	–	–	265,044

For financial instruments which have quoted prices for identical instruments in active markets, those prices are taken to be fair value.

For financial instruments for which the ACD uses valuation techniques using observable market data, the inputs include: prices of recent transactions for identical instruments in inactive markets; broker quotes; evaluated pricing data from data providers; or prices quoted for closely similar (but not identical) instruments.

For financial instruments for which the ACD uses valuation techniques using non-observable data, the inputs include: valuations from independent experts (which may include discounted cash flow calculations, or prices based upon income yield); or net asset values which the ACD considers reliable, based upon audit reports and the ACD's own knowledge of the investee entity.

CCLA BETTER WORLD GLOBAL EQUITY FUND
DISTRIBUTION TABLES
for the year ended 31 December 2024

Distribution in pence per share

First Interim
Group 1: Shares purchased prior to 1 January 2024
Group 2: Shares purchased between 1 January 2024 and 31 March 2024

	Net income	Equalisation	Distribution paid 31/05/24	Distribution paid 31/05/23
Class C Shares – Income				
Group 1	0.349078	–	0.349078	0.308302
Group 2	0.233775	0.115303	0.349078	0.308302
Class I Shares – Income				
Group 1	0.349443	–	0.349443	0.308989
Group 2	0.211769	0.137674	0.349443	0.308989
Class X Shares – Income				
Group 1	0.352464	–	0.352464	0.309849
Group 2	0.234432	0.118032	0.352464	0.309849
Class C Shares – Accumulation				
Group 1	0.355328	–	0.355328	0.310530
Group 2	0.214992	0.140336	0.355328	0.310530
Class I Shares – Accumulation				
Group 1	0.356395	–	0.356395	0.311827
Group 2	0.235089	0.121306	0.356395	0.311827
Class X Shares – Accumulation				
Group 1	0.359378	–	0.359378	0.312631
Group 2	0.359378	0.000000	0.359378	0.312631

CCLA BETTER WORLD GLOBAL EQUITY FUND
DISTRIBUTION TABLES
for the year ended 31 December 2024

Second Interim
Group 1: Shares purchased prior to 1 April 2024
Group 2: Shares purchased between 1 April 2024 and 30 June 2024

	Net income	Equalisation	Distribution paid 31/08/24	Distribution paid 31/08/23
Class C Shares – Income				
Group 1	0.718655	–	0.718655	0.629703
Group 2	0.438831	0.279824	0.718655	0.629703
Class I Shares – Income				
Group 1	0.719483	–	0.719483	0.627746
Group 2	0.368754	0.350729	0.719483	0.627746
Class X Shares – Income				
Group 1	0.726881	–	0.726881	0.634843
Group 2	0.244773	0.482108	0.726881	0.634843
Class C Shares – Accumulation				
Group 1	0.734020	–	0.734020	0.638352
Group 2	0.439588	0.294432	0.734020	0.638352
Class I Shares – Accumulation				
Group 1	0.736717	–	0.736717	0.635788
Group 2	0.181879	0.554838	0.736717	0.635788
Class X Shares – Accumulation				
Group 1	0.742652	–	0.742652	0.642919
Group 2	0.742652	0.000000	0.742652	0.642919

CCLA BETTER WORLD GLOBAL EQUITY FUND
DISTRIBUTION TABLES
for the year ended 31 December 2024

Third Interim

Group 1: Shares purchased prior to 1 July 2024

Group 2: Shares purchased between 1 July 2024 and 30 September 2024

	Net income	Equalisation	Distribution paid 29/11/24	Distribution paid 30/11/23
Class C Shares – Income				
Group 1	0.346308	–	0.346308	0.317929
Group 2	0.052952	0.293356	0.346308	0.317929
Class I Shares – Income				
Group 1	0.348060	–	0.348060	0.318882
Group 2	0.150949	0.197111	0.348060	0.318882
Class X Shares – Income				
Group 1	0.351742	–	0.351742	0.320764
Group 2	0.153865	0.197877	0.351742	0.320764
Class C Shares – Accumulation				
Group 1	0.356688	–	0.356688	0.323271
Group 2	0.201045	0.155643	0.356688	0.323271
Class I Shares – Accumulation				
Group 1	0.357093	–	0.357093	0.325805
Group 2	0.196111	0.160982	0.357093	0.325805
Class X Shares – Accumulation				
Group 1	0.359541	–	0.359541	0.325622
Group 2	0.319541	0.040000	0.359541	0.325622

CCLA BETTER WORLD GLOBAL EQUITY FUND
DISTRIBUTION TABLES
for the year ended 31 December 2024

Final

Group 1: Shares purchased prior to 1 October 2024

Group 2: Shares purchased between 1 October 2024 and 31 December 2024

	Net income	Equalisation	Distribution paid 28/02/25	Distribution paid 29/02/24
Class C Shares – Income				
Group 1	0.479054	–	0.479054	0.361535
Group 2	0.263232	0.215822	0.479054	0.361535
Class I Shares – Income				
Group 1	0.481502	–	0.481502	0.362775
Group 2	0.254603	0.226899	0.481502	0.362775
Class X Shares – Income				
Group 1	0.488419	–	0.488419	0.365572
Group 2	0.209423	0.278996	0.488419	0.365572
Class C Shares – Accumulation				
Group 1	0.494594	–	0.494594	0.367856
Group 2	0.334843	0.159751	0.494594	0.367856
Class I Shares – Accumulation				
Group 1	0.496558	–	0.496558	0.369018
Group 2	0.286824	0.209734	0.496558	0.369018
Class X Shares – Accumulation				
Group 1	0.502383	–	0.502383	0.372018
Group 2	0.502383	0.000000	0.502383	0.372018

Equalisation

This applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of revenue included in the purchase price of all Group 2 shares and is refunded to the holders of these shares as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of the shares for capital gains tax purposes.

CCLA CAUTIOUS MULTI-ASSET FUND SUB-FUND INFORMATION

for the period from 16 February 2024 to 31 December 2024

On the 16 February 2024 a new sub-fund, the CCLA Better World Cautious Fund was launched following regulatory and shareholder approvals to transfer the assets and liabilities of the Diversified Income Fund to the new sub-fund. £137 million of capital was transferred at launch date. The name of the fund was changed from the CCLA Better World Cautious Fund to the CCLA Cautious Multi-Asset Fund on 2 December 2024.

Investment Objective
The Sub-Fund aims to provide a total return (the combination of capital growth and income) after costs, of inflation (as measured by the UK Consumer Prices Index) plus 2% per annum over the long-term (defined as any rolling period of 5 years).

The Sub-Fund is classified as 'Cautious' as it will not invest more than 50% in value of its Scheme Property in equities. There is no guarantee that the objective of the Sub-Fund will be achieved over any time period. Capital is at risk.

Investment Policy
The Sub-Fund will invest in a broad range of assets to achieve its investment objective including shares of companies (also known as equities), issued by companies anywhere in the world (including the UK), fixed/floating interest securities (also known as bonds) issued by governments and their agencies and by companies and other issuing bodies, infrastructure related assets (indirectly), money-market instruments, cash, near-cash and emerging markets. The Sub-Fund's typical exposure to emerging markets will be 5% but may be up to 20%. The proportion of the Sub-Fund's portfolio (by value) in its two likely main asset classes will be as follows: company shares (excluding any holdings in UK investment trusts or other closed end funds), 20-50%; and bonds, 0%-60%.

Exposure to these assets may be via direct holdings or indirectly through investment in other funds (including those managed and operated by the ACD and its Associates). Such funds may include exchange traded funds, closed-ended investment companies (including UK investment trusts) and open-ended funds.

The Sub-Fund is actively managed which means the ACD uses their discretion to pick investments to seek to achieve the investment objective. When selecting equity assets to invest in, the ACD aims to follow a "quality" investing strategy. Factors, in the ACD's opinion, that determine quality include but are not limited to selecting equities of companies with higher-than-average returns on invested capital, good free cash flow generation and strong balance sheets relative to the wider market. This does not preclude the ACD from selecting individual equity assets that display other characteristics. The proportion of the Sub-Fund invested in different asset classes will vary over time in response to the economic and market environment and the ACD's expectations of future returns and volatility.

CCLA CAUTIOUS MULTI-ASSET FUND
SUB-FUND INFORMATION
for the period from 16 February 2024 to 31 December 2024

The ACD takes a long-term view of the requirement to grow real returns and focuses on constructing a portfolio to offset risks. The Sub-Fund will not have a concentrated portfolio or be restricted by sector or industry. The Sub-Fund may only use derivatives for Efficient Portfolio Management purposes.

Sustainability Approach
This product does not have a UK sustainable investment label. Sustainable investment labels help investors find products that have a specific sustainability goal. The Sub-Fund does not use a sustainable investment label because it does not have a sustainability goal.

However, the listed equities held in the Sub-Fund are managed in line with CCLA's 'Act, Assess, Align' approach to sustainability. Other assets are managed in line with the 'Align' approach as set out in the targeted restrictions below.

The 'Act, Assess, Align' approach includes:

Act: acting as an agent for 'change', because investment markets can only ever be as healthy as the environment and communities that support them. This includes:

- Using our ownership rights to improve the sustainability of the assets in which we invest.

- Bringing investors together to address systemic risks that have not received the attention that they require.

- Seeking to be a catalyst for change in the investment industry.

Engagement priorities are applied by the ACD to holdings within the Sub-Fund on a 'top-down basis'. By this it is meant that the ACD prioritises a number of sustainable themes, builds engagement programmes to tackle them and then identifies the correct holdings within the Sub-Fund to be included within them. This allows the ACD to control the number of ongoing dialogues and increase its ability to deliver the desired change.

At present, three engagement themes are applied to the Sub-Fund. These are:

1. Better Health: Which includes working with companies to push for better standards to protect the mental health of employees and push for improvements in the nutritional standards of products.

2. Better Environment: Where we are working to accelerate the transition to a net-zero emissions economy and address concerns regarding biodiversity loss. This includes issues such as addressing climate change and tackling biodiversity loss.

CCLA CAUTIOUS MULTI-ASSET FUND
SUB-FUND INFORMATION
for the period from 16 February 2024 to 31 December 2024

3. Better Work: Where we are working to address modern slavery and wider concerns regarding human rights, poor labour standards and the living wage.

This work only applies to the listed equity component of the Sub-Fund. CCLA may change or add to these areas of focus.

Recognising the importance of engagement to the sustainability approach the ACD has adopted an engagement metric. The ACD, no less than annually, will disclose the proportion of portfolio holdings that have been engaged directly and report on the effectiveness of these engagements.

For details about engagement priorities and the outcomes that have been achieved please refer to the 'Sustainable Investment Outcomes' report which is available at www.ccla.co.uk

Assess: assessing the environmental, social, and governance (ESG) standards of listed equities with the aim of avoiding investment in companies that are deemed by the ACD as having an unacceptable social or environmental impact and supporting the financial returns of the Sub-Fund.

This approach is undertaken because the ACD believes that a combination of legislation, regulation and changing societal preferences will impact negatively on the most unsustainable business models.

The ACD's approach to assessing ESG standards has two components; (i) formal codified restrictions from investment of sectors and companies that we believe pose significant environmental and social risks and (ii) an assessment process for the remaining eligible holdings.

The formal codified restrictions process is the method through which investments are 'screened out' on ESG grounds. An example would be that CCLA would be unable to buy a listed equity security in a company that generates more than 10% of its revenue from the extraction, refining or production of fossil fuels. The full restrictions applied by the SubFund are included within the 'Align' section below.

The assessment process of the remaining 'eligible' universe is designed to assist in 'financial risk' management and – as such – it identifies companies that require further assessment and/or additional approvals (such as approval by the CCLA Investment Committee) due to the level of ESG Risk rather than explicitly restricting companies. There are three components to this approach:

1. Corporate Governance: Assessments of companies' corporate governance is conducted using the CCLA Corporate Governance Rating. Companies with an E or F (the two lowest ratings provided) require the approval of the CCLA Investment Committee.

CCLA CAUTIOUS MULTI-ASSET FUND
SUB-FUND INFORMATION
for the period from 16 February 2024 to 31 December 2024

2. ESG Risk/Wider Sustainability factors: We assess ESG Risk using our third-party data provider's ESG Risk Rating. Companies which have an ESG Risk rating of 35 (high risk) or more are deemed high risk and require Investment Committee approval for investment. The ESG Risk Rating scale ranges from 0 (negligible risk) to 40+ (severe risk).

3. Controversies: Companies which do not comply with Global Standards have the most severe level of controversy (as advised by our third-party provider) and are excluded. If they become non-compliant while they are in the Sub-Fund, a time-limited engagement plan is created with regular monitoring by the Investment Committee. Should the company not show sufficient improvement the ACD then has a 6-months divestment window. Finally, no further stock/shares can be purchased in this company.

In addition, the Sub-Fund is managed in line with CCLA's goal to achieve net-zero emission listed equity portfolios no later than 2050. Companies can be included in our net-zero approach as long as they pass the Sub-Fund's values-based screens, our wider ESG minimum standards and are covered by our third-party data providers which provide the basis for assessment in our engagement framework. All our listed-equity portfolios are managed in a way that is less carbon intensive than the MSCI World Index. We determined a reducing maximum carbon ceiling by decarbonising the MSCI World Index's weighted average carbon intensity (Scope 1+2) using the Intergovernmental Panel on Climate Change (IPCC) 1.5°C/net zero pathway (P2). We commit to managing the listed-equity component of the SubFund in a way that ensures that the portfolio footprint is lower than this maximum ceiling. The ACD currently does not provide Scope 3 emissions data due to concerns over accuracy and availability from data providers.

The 'Assess' criteria set out above only apply to the listed equities held within the Sub-Fund. In the management of the Sub-Fund the ACD may, over time, amend the process used to assess ESG standards.

Recognising the importance of climate change to the Sub-Fund's client base the ACD has adopted 'Weighted Average Carbon Intensity' as a key metric for managing the Sub-Fund. The ACD will disclose, no less than annually, the weighted average carbon intensity of the Sub-Fund, the proportion of the SubFund that the disclosure applies to (as it is anticipated that the ACD will be unable to provide full disclosure due to unavailable data) and the listed-equity component of the Sub-Fund's position against the maximum carbon ceiling.

More detail is available in our 'Climate for Good Investment' publication – available at https://www.ccla.co.uk/documents/climate-good-investment-tcfd/download?inline

CCLA CAUTIOUS MULTI-ASSET FUND SUB-FUND INFORMATION
for the period from 16 February 2024 to 31 December 2024

Full details of our approach to net-zero listed equity portfolios are available on our website at www.ccla.co.uk/sustainability/initiatives/climate-action

Align: Investing in a way that we believe is aligned with the values of our clients.

The implementation of this approach involves the application of targeted restrictions upon investment by the Sub-Fund. As such, companies and any other assets that meet the following criteria are restricted from investment by the Sub-Fund:

- **Controversial Weapons:** companies that have any involvement in the production of Controversial Weapons (core weapons and components). These are defined as landmines, cluster munitions, chemical and/or biological weapons.

- **Nuclear Weapons:** companies that have any involvement in the production of core weapons and/or components of nuclear weapons.

- **Military Weapons:** companies that derive more than 10% of revenue from the production of military weapons and equipment (core weapons, components and equipment/services) and/or the provision of key non-weapons related tailor-made products for the defence industry.

- **Civilian Firearms:** companies that derive more than 10% of revenue from the production and/or retail of civilian firearms (including key components).

- **Thermal Coal Extraction:** companies that derive more than 5% of revenue from the extraction of thermal coal and/or produce more than 10 million metric tonnes of coal (or have plans to expand their coal production).

- **Oil and Gas Extraction:** companies that derive more than 5% of revenue from the extraction of tar sands and/or companies that generate more than 10% of revenue from the extraction, production, and/or refining of oil and/or gas.

- **Generation of Electricity and Climate Change:** electrical utility and infrastructure companies that intend to expand their coal-fired generation capacity and/or businesses whose principal activity is the generation of electricity and have not demonstrated the ability to align their business with the Paris Climate Change Agreement (as defined by the ACD) – Controversies and International Norms: companies that fail the CCLA's controversy process including non-conformance with the UN Global Compact, the UN Guiding Principles on Business and Human Rights and/or other factors defined by the ACD.

CCLA CAUTIOUS MULTI-ASSET FUND SUB-FUND INFORMATION
for the period from 16 February 2024 to 31 December 2024

- **Alcohol:** companies that derive more than 10% of revenue from the production and/or retail of alcohol and related products or services.

- **Gambling:** companies that derive more than 10% of revenue from the operation of gambling establishments and the provision of key support services and products.

- **High-Interest Rate Lending:** companies that derive more than 10% of their revenue from high interest rate lending.

- **Cannabis:** companies that derive more than 10% of revenue from the production and/or retail of non-medicinal cannabis.

- **Tobacco:** companies that have any involvement in the production of tobacco and/or derive more than 5% of revenue from the production and/or retail of tobacco and related products/services.

- **Adult Entertainment:** companies that derive more than 3% of revenue from the production of adult entertainment.

- **Sovereign Debt:** no direct investment in sovereign debt from countries identified by the ACD as being amongst the world's most oppressive.

- **Collective Investment Schemes:** Other investment funds that are assessed by the ACD as having any exposure to landmines, cluster munitions, chemical or biological weapons or exposures that materially contradict the above approach. This is defined as having more than 10% of Net Asset Value exposed to other precluded activity. As a final safeguard, we seek to ensure that the combined exposure to all restricted activities within such other investment fund holdings remains below 1% of the capital value of the Sub-Fund. Due to a lack of data this approach to assessing the eligibility of collective investment schemes is implemented on a 'best-endeavours' basis.

These restrictions are applied based upon data points selected by CCLA and in accordance with our values-based screening policy which sets out our approach for implementing restrictions across different asset classes and investment structures. The full values-based screening policy is available on our website at www.ccla.co.uk/about-us/policies-and-reports.

Recognising the importance of restrictions to Shareholders of the Sub-Fund the ACD will disclose the percentage of the MSCI World Index that is restricted from investment by the Sub-Fund.

Additional information on the funds approach in these areas including its TCFD report, approach to sustainability and values based screening can be found at www.ccla.co.uk/funds/ccla-cautious-multi-asset-fund.

CCLA CAUTIOUS MULTI-ASSET FUND
REPORT OF THE INVESTMENT MANAGER
for the period from 16 February 2024 to 31 December 2024

Fund Strategy
The fund aims to provide a total return (income plus capital growth) after costs, of inflation (as measured by the UK consumer price index) plus 2% per year over the long term, defined as five years. Being 'Cautious', the fund will invest no more than 50%, by value, in listed shares.

The fund invests in a broad range of assets. As an actively managed multi-asset fund, the amount it invests in different asset classes will vary over time depending on economic/market conditions and our expectations of future returns and volatility.

Where we invest in companies, we seek high-quality companies believing those that can grow returns consistently at valuations that are attractive, should lead to outperformance over the long term. We look for companies that, in our opinion:

- demonstrate an enduring competitive advantage, measured by their cash flow return on investment and a strong track record of shareholder value creation,
- benefit from clear long-term growth trends,
- benefit from superior financial strength, with a strong balance sheet, and
- are trading at valuations that are attractive.

The primary role of sustainable investment is to drive positive change and this is best achieved by pushing companies to do more to address the major challenges facing us today. We aim to manage our clients' investments in a way that aligns with their values and to do this we consider environmental, social and governance (ESG) factors in our listed equity investment process and go beyond the boundaries of traditional investor engagement to drive change.

Economic and Market Review
At the beginning of 2024, many investors considered that the high interest rates that central banks put in place to combat inflation might trigger recessions. In such a scenario, they feared, stock markets would struggle to advance in 2024. What transpired, however, was a record year for shares.

From early 2024, it became clear that major economies would probably avoid recessions and continue to grow. US gross domestic product (GDP) grew 2.8% last year. The eurozone and UK economies also avoided recessions, growing 0.7% and 0.9% in 2024, respectively.

CCLA CAUTIOUS MULTI-ASSET FUND
REPORT OF THE INVESTMENT MANAGER
for the period from 16 February 2024 to 31 December 2024

Secondly, inflation continued to fall in most countries, particularly in the first half of 2024. As a result, investors grew confident that central banks would cut interest rates soon. And they were right. Starting in June, the European Central Bank cut its deposit rate 1% in 2024. The Bank of England (BoE) cut its Official Bank Rate 0.50% between August and the end of the year. And in the US, the Fed cut its Federal Funds target rate 1.0% in 2024, starting in September.

Third, company results continued to go from strength to strength in 2024, especially in the tech sector. For example: the third quarter of 2024, the last quarter for which we have full results, was the fifth consecutive quarter of year-on-year earnings growth for companies in the S&P500. The November election of Donald Trump helped corporate sentiment, too, because his policies include corporate tax cuts and deregulation.

However: each of the above catalysts for higher share prices had a flip side. Investors' expectations of companies' earnings became so ambitious that, at times, shares prices fell when companies met their earnings targets or didn't beat them convincingly enough. That was briefly the case with, for example, Nvidia and Meta, among other stocks.

High economic growth, too, had its flip side. Investors welcomed Donald Trump's pro-business agenda. But they didn't lose sight of the fact that the Fed might stop cutting rates or even raise them, if Trump's policies put the US economy at risk of overheating.

And in the second half of 2024, inflation rebounded in many countries. UK consumer price (CPI) inflation, for example, fell to 1.7% in September, but rebounded to 2.6% in November, year on year. Above-target or volatile inflation made several central banks wary of cutting interest rates too fast. In December, the Fed forecast that it would cut rates by only 0.50% in 2025, instead of the 1.0% that investors were expecting. As a result, the S&P500 stock index fell 3% in two days, leading the index lower for the month.

Despite such temporary setbacks, however, stock markets had a record year. The MSCI World Index gained 20.79%, in pound sterling terms, and the S&P500 went up 25.02%, in US-dollar terms.

By contrast, returns from fixed income (bonds) were modest during 2024. The Bloomberg Global Aggregate Index returned just +0.07%, in pound sterling (unhedged). This return appears low in a year when most central banks cut interest rates, but was due to rising bond yields (Bond prices fall as yields rise).

CCLA CAUTIOUS MULTI-ASSET FUND
REPORT OF THE INVESTMENT MANAGER
for the period from 16 February 2024 to 31 December 2024

Bond yields rose for several reasons, particularly at the end of 2024: because investors were concerned about governments' debt levels, because investors feared that more government stimulus might reignite inflation, and because investors rowed back their expectations of central banks' rate cuts in 2025. In December 2024 alone, for example, 10-year UK government bond (gilt) yields rose from 4.23% at the beginning of the month to 4.57% just before the new year. Ten-year US Treasury yields rose from 4.19% to 4.58% during that time.

Alternative assets such as infrastructure and private equity are typically valued by discounting their future cash flows by a long-term interest rate or bond yield. As a result, higher bond yields depressed valuations for these assets as well. But UK property had a more positive year. Property values appeared to have stopped falling during the year. Because of this sector's attractive income returns (rents), total returns moved back into positive territory.

Outlook

The unpredictable nature of the Trump administration adds risk and uncertainty to financial markets. Since the end of 2024, it has become clear that President Trump intends to follow through with his tariff threats. As a result, the risks to the economic outlook have become more pronounced.

The world ahead looks uncertain. Tariffs are a headwind to growth and will promote inflation. Market expectations and price falls in US stocks are already beginning to reflect this. The unpredictable nature of Trump's policies and the uncertainty that this creates for business is likely to increase volatility in financial markets.

Previously, we also discussed the unusually concentrated nature of market returns, that this was the exception rather than the rule, and that concentrating portfolios in a small number of highly correlated shares could be risky. In 2025, market breadth has begun to widen, with price falls in the so-called 'Magnificent 7' shares leading the market lower.

Against this backdrop, we have reduced the fund's exposure to IT and semiconductors in 2025. For stock-specific reasons, we have also reduced the fund's exposure to US health care. In regional terms, the net effect has been to reduce exposure to US shares and increase exposure to Europe, where, at the stock level, we can find compelling opportunities.

CCLA CAUTIOUS MULTI-ASSET FUND
REPORT OF THE INVESTMENT MANAGER
for the period from 16 February 2024 to 31 December 2024

Focusing on high-quality businesses, whose growth doesn't solely rely on the economic cycle, is important. High-quality businesses typically have higher margins, so higher costs from tariffs will have less of an impact on their profits. Similarly, quality businesses convey pricing power and have a greater ability to pass on higher costs to customers. Lastly, focusing on structural growth rather than cyclical growth should stand the portfolio in good stead if the economic situation deteriorates further.

Meanwhile, inflation in the US and most developed markets except the eurozone appears to have stopped falling. It may begin to rise again if inflationary policies take hold in the US. The Fed may therefore stop cutting interest rates. A gentle reacceleration of inflation would not be a problem for financial markets. But inflation in the 4%-5% range could put share and bond returns at risk. Although bond yields are attractive levels now, significant risks remain. These include uncertain growth, higher deficits and geopolitics.

Bond yields are relevant to alternatives and private equity as well. High borrowing costs may impact companies' loan covenants and dividend payouts. This may become more important if central banks continue to be reticent to cut interest rates in 2025. But UK commercial property appears to have moved into a more positive phase of its cycle. In our property team's analysis, valuations are more stable and yields close to their historical peak. Rental growth also supports valuations.

C Ryland
Head of Investment
CCLA Investment Management Limited
22 April 2025

Performance information is not included in this report due to the short period.

CCLA CAUTIOUS MULTI-ASSET FUND
REPORT OF THE INVESTMENT MANAGER
for the period from 16 February 2024 to 31 December 2024

Top ten changes in portfolio composition

	Cost £'000
Purchases:	
UK Treasury 4.5% 2042	9,840
UK Treasury 3.25% 2044	9,741
Federated Hermes Sustainable Global Investment Grade Credit Fund	8,090
Candriam Sustainable Bond Emerging Markets Fund	7,488
UK Treasury 4.25% 2040	7,095
UK Treasury 4.25% 2046	7,018
Pimco Global Investor Series Climate Bond Fund	5,901
UK Treasury 4.125% 2030	2,782
Brookfield Infrastructure Partners	2,006
UK Treasury 0.125% 2044	1,896

	Proceeds £'000
Sales:	
Hipgnosis Songs Fund	584
GCP Asset Backed Income Fund	160
Tritax Eurobox REIT	144
Federated Hermes Climate Change High Yield Credit Fund	61
Costco Wholesale	56
GRAIL	7
Ametek	6
Aberdeen Standard European Logistics Income	5

When a stock has both purchases and sales in the year, 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 CCLA Cautious Multi-Asset 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 CCLA Cautious Multi-Asset 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 dealing day.

The CCLA Cautious Multi-Asset Fund may invest in emerging market countries which could be subject to political and economic change.

CCLA CAUTIOUS MULTI-ASSET FUND
RISK AND REWARD INDICATOR
for the period from 16 February 2024 to 31 December 2024

The sub-fund utilises a Synthetic Risk and Reward Indicator (SRRI) to provide investors with a meaningful indication of the overall risk and reward profile of the sub-fund. The SRRI operates on a scale of 1 (lower risk/reward) to 7 (higher risk/reward).

1	2	3	**4**	5	6	7

Typically lower rewards (lower risk) — *Typically higher rewards (higher risk)*

The sub-fund's SRRI is 4 and is based on a simulation of the volatility of the sub-fund's value (using historical data) and it may change in the future. The sub-fund is in category 4 because the mix of different asset types in which the sub-fund invests aims to have a balancing effect on the rate at which the sub-fund's share price moves up and down. This type of fund is generally considered to be higher risk than a fund investing only in bonds or cash and lower risk than a fund investing only in company shares.

Please refer to the sub-fund's Key Investor Information Document for further information on the SRRI.

A more detailed description of risk factors that apply to the sub-fund is set out in the latest Prospectus, which is available on CCLA's website or by request.

CCLA CAUTIOUS MULTI-ASSET FUND
COMPARATIVE TABLE
for the period from 16 February 2024 to 31 December 2024

Change in net assets per Share

	Class C Shares – Income Period to 31.12.2024 £ per Share**
Opening net asset value per Share	1.45
Return before operating charges*	0.03
Operating charges***	(0.01)
Return after operating charges*	0.02
Distributions on Income Shares	(0.04)
Closing net asset value per Share	1.43
* after direct transaction costs of:	0.00

** For the period from initial subscription on 16 February 2024 to 31 December 2024.

Performance	
Return after charges	1.38%
Other information	
Closing net asset value (£'000)	129,096
Closing number of Shares	89,993,385
Operating charges***	0.96%
Direct transaction costs	0.05%
Prices (£ per Share)	
Highest Share price	1.51
Lowest Share price	1.44

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.

*** Operating charges comprise the ACD's periodic charge and other expenses, including VAT, but before taking account of rebates (if any), as these only offset charges incurred within the underlying funds. The percentages above reflect these charges annualised and divided by average net assets for the period. Operating charges per Share is calculated based on the actual expenses for the period. Operating charges as at 31 December 2024 include synthetic costs of 0.30%.

CCLA CAUTIOUS MULTI-ASSET FUND
COMPARATIVE TABLE
for the period from 16 February 2024 to 31 December 2024

Change in net assets per Share

	Class C Shares – Accumulation Period to 31.12.2024 £ per Share**
Opening net asset value per Share	1.46
Return before operating charges*	0.04
Operating charges***	(0.01)
Return after operating charges*	0.03
Distributions on Accumulation Shares	(0.04)
Retained distributions on Accumulation Shares	0.04
Closing net asset value per Share	1.49
* after direct transaction costs of:	0.00

** For the period from initial subscription on 16 February 2024 to 31 December 2024.

Performance	
Return after charges	2.05%
Other information	
Closing net asset value (£'000)	9,725
Closing number of Shares	6,541,045
Operating charges***	0.96%
Direct transaction costs	0.05%
Prices (£ per Share)	
Highest Share price	1.54
Lowest Share price	1.45

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.

*** Operating charges comprise the ACD's periodic charge and other expenses, including VAT, but before taking account of rebates (if any), as these only offset charges incurred within the underlying funds. The percentages above reflect these charges annualised and divided by average net assets for the period. Operating charges per Share is calculated based on the actual expenses for the period. Operating charges as at 31 December 2024 include synthetic costs of 0.30%.

CCLA CAUTIOUS MULTI-ASSET FUND
OPERATING CHARGES ANALYSIS
for the period from 16 February 2024 to 31 December 2024

The table below analyses expenses in note 4 to the financial statements. These expenses also represent the total annualised operating charges, which are shown below as a percentage of average net assets of the CCLA Cautious Multi-Asset Fund.

Class C Shares – Income

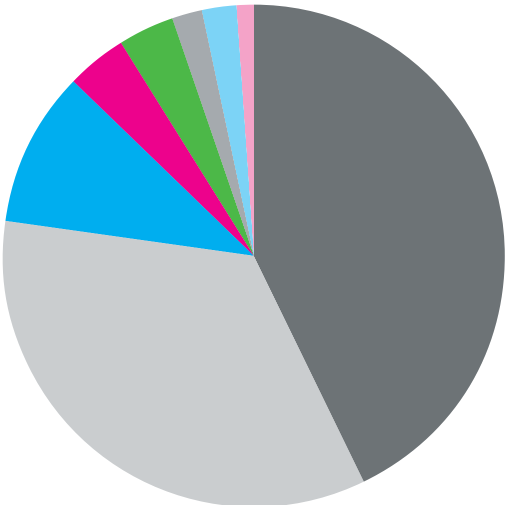
	2024 %
ACD's annual management charge	0.60
Safe custody fees and depositary fee	0.03
Other expenses	0.03
Total operating charges	0.66

Class C Shares – Accumulation

	2024 %
ACD's annual management charge	0.60
Safe custody fees and depositary fee	0.03
Other expenses	0.03
Total operating charges	0.66

CCLA CAUTIOUS MULTI-ASSET FUND
PORTFOLIO ANALYSIS
at 31 December 2024

Portfolio Allocation



Breakdown of Overseas Equities by Geography

North America	24.13%
Developed Europe	7.65%
Asia Pacific ex Japan	1.80%
Other Countries	0.53%
Japan	0.43%
	34.54%

Breakdown of Equities by Sector

Information Technology	9.88%
Health Care	6.29%
Financials	7.95%
Industrials	5.51%
Consumer Discretionary	4.07%
Consumer Staples	2.11%
Communication Services	1.51%
Real Estate	0.81%
Utilities	0.40%
	38.53%

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

CCLA CAUTIOUS MULTI-ASSET FUND
PORTFOLIO STATEMENT
at 31 December 2024

	Holding	Fair value £'000	% of total net assets
UNITED KINGDOM – 3.99%			
Consumer Discretionary – 1.06%			
Compass Group	34,974	930	0.67
InterContinental Hotels Group	5,425	540	0.39
Financials – 0.68%			
London Stock Exchange Group	8,411	949	0.68
Health Care – 0.43%			
AstraZeneca	5,711	598	0.43
Industrials – 1.82%			
Ashtead Group	10,804	536	0.38
Experian	21,209	731	0.53
RELX	21,436	778	0.56
Spirax-Sarco Engineering	7,099	487	0.35
OVERSEAS EQUITIES – 34.53%			
DEVELOPED EUROPE – 7.64%			
Communication Services – 0.57%			
Universal Music Group	39,135	795	0.57
Consumer Discretionary – 0.91%			
Hermes	313	601	0.43
LVMH Moet Hennessy Louis Vuitton	1,268	666	0.48
Consumer Staples – 1.46%			
Kerry Group	8,995	690	0.50
L'Oréal	1,925	543	0.39
Nestlé	11,969	789	0.57
Financials – 1.23%			
Deutsche Boerse	4,304	793	0.57
Partners Group	850	921	0.66

CCLA CAUTIOUS MULTI-ASSET FUND
PORTFOLIO STATEMENT
at 31 December 2024

	Holding	Fair value £'000	% of total net assets
Health Care – 1.02%			
Essilor International	4,395	848	0.61
Novo Nordisk	8,285	570	0.41
Industrials – 1.31%			
Epiroc	27,734	385	0.28
Schneider	3,399	677	0.49
Wolters Kluwer	5,600	741	0.54
Information Technology – 1.14%			
ASML Holding	1,357	761	0.55
Hexagon	107,562	819	0.59
NORTH AMERICA – 24.14%			
Communication Services – 0.93%			
Alphabet C	8,507	1,294	0.93
Consumer Discretionary – 2.09%			
Amazon.com	8,493	1,487	1.07
McDonald's	2,907	673	0.48
O'Reilly Automotive	798	755	0.54
Consumer Staples – 0.65%			
The Coca-Cola Company	18,193	905	0.65
Financials – 4.97%			
CME Group	5,113	948	0.69
Gallagher (Arthur J)	2,957	670	0.48
Intercontinental Exchange Group	7,104	845	0.61
Marsh & McLennan	4,009	680	0.49
Mastercard	2,021	851	0.61
S&P Global	2,355	937	0.67
Tradeweb Markets	9,048	946	0.68
Visa A	4,035	1,019	0.74

CCLA CAUTIOUS MULTI-ASSET FUND
PORTFOLIO STATEMENT
at 31 December 2024

	Holding	Fair value £'000	% of total net assets
Health Care – 4.86%			
Abbott Laboratories	10,491	948	0.68
Agilent Technologies	4,614	495	0.36
Avantor	39,922	672	0.48
Danaher	3,609	662	0.48
ICON	5,017	839	0.61
Illumina	3,847	410	0.30
Stryker	2,333	671	0.48
Thermo Fisher Scientific	2,029	843	0.61
UnitedHealth Group	1,250	505	0.36
Zoetis	5,329	694	0.50
Industrials – 2.40%			
Deere & Company	1,689	571	0.41
IDEX	3,705	619	0.45
Ingersoll Rand	5,449	394	0.28
Trane Technologies	2,115	624	0.45
TransUnion	8,904	659	0.48
Union Pacific	2,544	463	0.33
Information Technology – 7.03%			
Accenture	1,750	492	0.35
Adobe	1,875	666	0.48
Ansys	3,239	872	0.63
Broadcom	5,295	980	0.70
Fortinet	11,073	835	0.60
Intuit	1,536	771	0.56
Microsoft	5,033	1,693	1.22
NXP Semiconductors	4,028	668	0.48
Roper Technologies	2,130	884	0.64
ServiceNow	573	485	0.35
Synopsys	2,124	822	0.59
Texas Instruments	3,952	592	0.43
Real Estate – 0.81%			
Alexandria Real Estate Equities	7,203	561	0.40
American Tower	3,850	563	0.41

CCLA CAUTIOUS MULTI-ASSET FUND
PORTFOLIO STATEMENT
at 31 December 2024

	Holding	Fair value £'000	% of total net assets
Utilities – 0.40%			
NextEra Energy	9,701	555	0.40
JAPAN – 0.43%			
Information Technology – 0.43%			
Keyence	1,800	591	0.43
ASIA PACIFIC EX JAPAN – 1.79%			
Financials – 1.06%			
AIA Group	118,200	684	0.49
HDFC Bank	15,603	795	0.57
Information Technology – 0.73%			
Taiwan Semiconductor Manufacturing Company	6,395	1,009	0.73
OTHER – 0.53%			
Information Technology – 0.53%			
Nice	5,457	739	0.53
PRIVATE EQUITY & OTHER – 3.60%			
Private Equity – 3.60%			
HG Capital Trust	186,461	999	0.72
NB Private Equity Partners A	87,917	1,389	1.00
Oakley Capital Investments	275,886	1,368	0.99
Princess Private Equity Holding	138,893	1,229	0.89
INFRASTRUCTURE & OPERATING – 9.99%			
Energy Resources & Environment – 4.30%			
Bluefield Solar Income Fund	456,528	430	0.31
Brookfield Renewable Partners	69,237	1,259	0.91
Foresight Solar Fund	1,054,931	811	0.58
Greencoat UK Wind	1,233,184	1,575	1.14
SDCL Energy Efficiency Income Trust	691,346	377	0.27
The Renewables Infrastructure Group	1,265,583	1,086	0.78
US Solar Fund	1,323,931	433	0.31

CCLA CAUTIOUS MULTI-ASSET FUND
PORTFOLIO STATEMENT
at 31 December 2024

	Holding	Fair value £'000	% of total net assets
General – 2.93%			
Brookfield Infrastructure Partners	82,753	2,099	1.51
Infratil	226,256	1,275	0.92
Macquarie Korea Infrastructure Fund	6,112	35	0.02
International Public Partnership	546,380	662	0.48
Social – 2.76%			
Assura	2,342,556	898	0.65
Empiric Student Property	503,672	421	0.30
HICL Infrastructure	223,859	266	0.19
Target Healthcare REIT	919,235	772	0.56
Unite Group	182,628	1,473	1.06
CONTRACTUAL & OTHER INCOME – 2.35%			
Ares Capital	79,719	1,393	1.00
Blackstone Secured Lending Fund	39,612	1,021	0.74
GCP Asset Backed Income Fund	766,913	579	0.42
RM Infrastructure Income Fund	352,791	258	0.19
PROPERTY – 1.88%			
PRS REIT	440,474	474	0.34
Tritax Big Box REIT	824,500	1,094	0.79
Segro REIT	149,447	1,047	0.75
FIXED INTEREST – 42.61%			
Government Bonds – 27.47%			
UK Treasury 0.125% 2044	£1,473,000	1,748	1.26
UK Treasury 0.625% 2042	£1,132,000	1,759	1.27
UK Treasury 3.25% 2044	£11,811,000	9,211	6.64
UK Treasury 4.125% 2030	£825,000	2,781	2.00
UK Treasury 4.25% 2040	£7,311,000	6,763	4.87
UK Treasury 4.25% 2046	£7,399,000	6,574	4.73
UK Treasury 4.5% 2042	£9,909,000	9,300	6.70

CCLA CAUTIOUS MULTI-ASSET FUND
PORTFOLIO STATEMENT
at 31 December 2024

	Holding	Fair value £'000	% of total net assets
Funds – 15.14%			
Candriam Sustainable Bond Emerging Markets Fund	11,442	7,149	5.15
Federated Hermes Sustainable Global Investment Grade Credit Fund	8,116,029	8,141	5.86
Pimco Global Investor Series Climate Bond Fund	815,014	5,728	4.13
INVESTMENT ASSETS		**137,361**	**98.95**
NET OTHER ASSETS		**1,460**	**1.05**
TOTAL NET ASSETS		**138,821**	**100.00**

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

As the Sub-Fund was launched on 16 February 2024, there are no comparatives.

CCLA CAUTIOUS MULTI-ASSET FUND
STATEMENT OF TOTAL RETURN
for the period from 16 February 2024 to 31 December 2024

	Note	Period ended 31.12.2024 £'000	£'000*
Income			
Net capital losses	*2*		(1,216)
Revenue	*3*	4,706	
Expenses	*4*	(765)	
Net revenue before taxation		3,941	
Taxation	*5*	(640)	
Net revenue after taxation			3,301
Total return before distributions			2,085
Distributions	*6*		(3,865)
Change in net assets attributable to Shareholders from investment activities			(1,780)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
for the period from 16 February 2024 to 31 December 2024

	Period ended 31.12.2024 £'000	£'000*
Opening net assets attributable to Shareholders		–
Amounts receivable on issue of Shares	6,489	
Amounts payable on cancellation of Shares	(3,374)	
In-specie transactions**	137,348	
		140,463
Change in net assets attributable to Shareholders from investment activities		(1,780)
Retained distributions on Accumulation Shares		138
Closing net assets attributable to Shareholders		138,821

The notes on pages 85 to 96 and the distribution tables on pages 97 to 98 form part of these financial statements.

* As the Sub-Fund was launched on 16 February 2024, there are no comparatives.

** Represents the value of shares issued by in-specie transfer of assets during the period including the in-specie of assets from the Diversified Income Fund at the launch date.

CCLA CAUTIOUS MULTI-ASSET FUND
BALANCE SHEET
at 31 December 2024

	Note	31.12.2024* £'000	£'000
ASSETS			
Fixed assets:			
Investments			137,361
Current assets:			
Debtors	*7*	537	
Cash equivalents	*8*	1,000	
Cash and bank balances	*8*	2,514	
Total current assets			4,051
Total assets			141,412
LIABILITIES			
Creditors:			
Other creditors	*9*	1,706	
Distribution payable on Income Shares		885	
Total liabilities			2,591
Net assets attributable to Shareholders			138,821

* As the Sub-Fund was launched on 16 February 2024, there are no comparatives.

The financial statements on pages 83 to 98 have been approved by the ACD.

Approved on behalf of the ACD
22 April 2025

P Hugh Smith, Director
CCLA Investment Management Limited

The notes on pages 85 to 96 and the distribution tables on pages 97 to 98 form part of these financial statements.

CCLA CAUTIOUS MULTI-ASSET FUND
NOTES TO THE FINANCIAL STATEMENTS
for the period from 16 February 2024 to 31 December 2024

1. **Accounting policies**

Please see pages 14 to 15 for accounting basis and policies applicable to all Sub-Funds. Please see below for accounting basis and policies applicable to the CCLA Cautious Multi-Asset Fund (the Sub-Fund).

(a) Basis of preparation

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

(b) Expenses

During the year, the annual management charge, paid to the ACD, was taken from the capital of the Sub-Fund before distribution. The fee is based on a fixed percentage of the value of the Sub-Fund and was 0.60% in relation to Class C Shares. The annual management charge is calculated by reference to the daily Net Asset Value of the Sub-Fund.

The Depositary fee, audit, legal, safe custody fees and insurance fees are charged separately to the revenue of the Sub-Fund before distributions.

(c) Distributions

The policy of the CCLA Cautious Multi-Asset Fund is to distribute all available revenue, excluding any items treated as capital and after deduction of expenses chargeable against revenue. Distributions are declared and paid quarterly.

It is the Sub-Fund's policy to calculate the distribution inclusive of the revenue on debt securities which is computed on an effective yield basis. A reconciliation of the net distribution to the net income of the Sub-Fund as reported in the statement of total return is shown in note 6.

CCLA CAUTIOUS MULTI-ASSET FUND
NOTES TO THE FINANCIAL STATEMENTS
for the period from 16 February 2024 to 31 December 2024

2. Net capital losses

	31.12.2024 £'000
The net capital gains/(losses) during the period comprise:	
Realised gains on non-derivative securities	499
Unrealised losses on non-derivative securities	(1,712)
Currency losses	(3)
	(1,216)

3. Revenue

	31.12.2024 £'000
Overseas dividends	1,314
UK dividends	368
Interest on debt securities	2,597
Interest on the CCLA Public Sector Deposit Fund	92
Bank interest	51
Property income distributions	226
Residual income from ACS Diversified Income Fund	58
	4,706

CCLA CAUTIOUS MULTI-ASSET FUND
NOTES TO THE FINANCIAL STATEMENTS
for the period from 16 February 2024 to 31 December 2024

4. Expenses

	31.12.2024 £'000
Payable to the ACD, associates of the ACD and agents of either of them:	
ACD's periodic charge	704
Payable to the Depositary, associates of the Depositary and agents of either of them:	
Safe custody fees	13
Depositary fee	20
	33
Other expenses:	
Audit fee	20
Other fees	8
	28
Total expenses	765

5. Taxation

	31.12.2024 £'000
a) Analysis of charge in the period	
Corporate tax	454
Double tax relief	(7)
Overseas withholding tax	182
Reclaimable tax written off	11
Total tax charge (note 5b)	640

CCLA CAUTIOUS MULTI-ASSET FUND
NOTES TO THE FINANCIAL STATEMENTS
for the period from 16 February 2024 to 31 December 2024

5. **Taxation** *(continued)*

b) Factors affecting current tax charge for the period

The tax assessed for the period is lower than the standard rate of corporation tax in the UK for an Open-Ended Investment Company (20%). The differences are explained below:

	31.12.2024 £'000
Net revenue before taxation	**3,941**
Corporation tax at 20%	**788**
Effects of:	
Revenue not subject to taxation	**(328)**
Double tax relief	**(7)**
S400 RPI adjustment	**(6)**
Overseas withholding tax	**182**
Reclaimable tax written off	**11**
Total tax charge for the period (note 5a)	**640**

Authorised Open Ended Investment Companies are exempt from tax on capital gains, therefore any capital gains/(losses) are not included in the reconciliation above.

c) Provision for deferred tax

At 31 December 2024, there is no potential deferred tax asset in relation to surplus management expenses.

CCLA CAUTIOUS MULTI-ASSET FUND
NOTES TO THE FINANCIAL STATEMENTS
for the period from 16 February 2024 to 31 December 2024

6. Distributions

Distributions take account of revenue received on the issue of Shares and revenue deducted on the cancellation of Shares, and comprise:

	31.12.2024 £'000
31 March – interim distribution	360
30 June – interim distribution	1,496
30 September – interim distribution	1,096
31 December – final distribution	951
	3,903
Add: revenue deducted on cancellation of Shares	1
Deduct: revenue received on issue of Shares	(39)
Net distribution for the period	3,865
Net revenue after taxation for the year	3,301
ACD's periodic charge	704
Tax on capital special dividends	(140)
Net distribution for the period	3,865

Details of the distribution per Shares are set out in the distribution tables on pages 97 to 98.

The ACD's periodic charge and other capital charges are added back, in the table above, to the net distribution for the period and deducted from capital.

There were unclaimed distributions as at 31 December 2024 of £nil.

CCLA CAUTIOUS MULTI-ASSET FUND
NOTES TO THE FINANCIAL STATEMENTS
for the period from 16 February 2024 to 31 December 2024

7. Debtors

	31.12.2024 £'000
Sales awaiting settlement	36
Accrued revenue	501
	537

8. Cash equivalents, cash and bank balances

	31.12.2024 £'000
Cash equivalents: cash in the CCLA Public Sector Deposit Fund	1,000
Cash and bank balances: cash at bank	2,514

9. Other creditors

	31.12.2024 £'000
Purchases awaiting settlement	1,161
Accrued expenses	98
Corporation tax payable	447
	1,706

10. Financial instruments

Fair value

Securities held by the Sub-Fund are valued at bid-market value. 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 Shares are included in the balance sheet at their fair value.

The main risks arising from the Sub-Fund's financial instruments and the ACD's policies for managing these risks are summarised below. These policies have been applied consistently throughout the year.

CCLA CAUTIOUS MULTI-ASSET FUND
NOTES TO THE FINANCIAL STATEMENTS
for the period from 16 February 2024 to 31 December 2024

10. Financial instruments ***(continued)***

Market price risk

This is an actively managed Sub-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 Sub-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 positive correlation in the movement of the Share price to the markets the Sub-Fund is invested in. The Sub-Fund seeks to minimise the risks by holding a diversified portfolio of investments in line with the Sub-Fund's investment objectives. Risk is monitored at both a top-down and a bottom-up (stock selection) level by the ACD on a regular basis.

At 31 December 2024, if the price of the investments held by the Sub-Fund increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to Shareholders, and profit or loss, would increase or decrease respectively by approximately £6,868,000.

Credit risk

The Sub-Fund's transactions in securities expose it to the risk that the counterparty will not deliver the investment for a purchase, the cash for a sale or the settlement amounts for forward currency contracts. To minimise this, the Sub-Fund only deals with an approved list of brokers maintained by the ACD. Depending on the counterparty, the Sub-Fund may employ collateral arrangements for forward currency contracts.

Bond credit ratings

	31.12.2024	
Rating category	**£'000**	**% Fund**
Investment grade	38,136	27.47
Total investment in bonds	38,136	27.47

Liquidity risk

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

CCLA CAUTIOUS MULTI-ASSET FUND
NOTES TO THE FINANCIAL STATEMENTS
for the period from 16 February 2024 to 31 December 2024

10. Financial instruments ***(continued)***

Currency risk

The Sub-Fund is exposed to fluctuations in foreign currencies as some of its assets and revenue are denominated in currencies other than pound sterling, the base currency of the Sub-Fund. The Sub-Fund may enter into forward currency contracts to protect the pound sterling value of the underlying portfolio of securities against the effect of possible adverse movements in foreign exchange rates on investments and revenue accrued, but not yet received. In respect of revenue, receipts are converted to pound sterling shortly after receipt.

At 31 December 2024, if the value of pound sterling increased or decreased by 1% against all currencies, with all other variables remaining constant, then the net assets attributable to Shareholders, and profit or loss, would decrease or increase respectively by approximately £698,000.

The total foreign currency exposure at 31 December 2024 was:

		31.12.2024	
Currency	**Monetary exposures £'000**	**Non-monetary exposures £'000**	**Total £'000**
Danish krone	4	570	574
Euro	88	14,071	14,159
Hong Kong dollar	(30)	684	654
Japanese yen	–	591	591
Korean won	39	35	74
New Zealand dollar	(1)	1,275	1,274
South African rand	26	–	26
Swedish krona	–	1,203	1,203
Swiss franc	–	1,710	1,710
US dollar	113	49,417	49,530
Total	239	69,556	69,795

CCLA CAUTIOUS MULTI-ASSET FUND
NOTES TO THE FINANCIAL STATEMENTS
for the period from 16 February 2024 to 31 December 2024

10. Financial instruments *(continued)*

Interest rate risk

The Fund invests in fixed interest securities and cash deposits, the revenue of which may be affected by changes to interest rates relevant to particular securities or as a result of the ACD being unable to secure similar returns on 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.

A sensitivity analysis for interest rate risk is not shown as the impact is unlikely to be significant.

The total exposure at 31 December 2024 was:

Currency	Floating rate financial assets* £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
Pound sterling	8,279	32,849	29,965	71,093
Euro	–	–	14,159	14,159
Japanese yen	–	–	591	591
US dollar	–	–	49,530	49,530
Other	523	–	5,516	6,039
Total	8,802	32,849	99,761	141,412

Currency	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
Pound sterling	–	–	(2,067)	(2,067)
Other	–	–	(524)	(524)
Total	–	–	(2,591)	(2,591)

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

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

CCLA CAUTIOUS MULTI-ASSET FUND
NOTES TO THE FINANCIAL STATEMENTS
for the period from 16 February 2024 to 31 December 2024

11. Commitments and contingent liabilities

There were no commitments or contingent liabilities as at 31 December 2024.

12. Related party transactions

The Sub-Fund's Authorised Corporate Director (ACD), CCLA Investment Management Limited is a related party to the Fund as defined by Financial Reporting Standard 102 'Related Party Disclosures'.

ACD fees charged by CCLA Investment Management Limited are shown in note 4 and details of shares created and cancelled by CCLA Investment Management Limited are shown in the Statement of Change in Net Assets Attributable to Shareholders and note 6.

At the year end the balance due to CCLA Investment Management Limited in respect of these transactions was £71,627.

At the year end, a cash balance of £1,000,000 was held in the Public Sector Deposit Fund (PSDF), which is managed by CCLA Investment Management Limited.

There is no individual investor holding more than 20% of the Fund.

13. Portfolio transaction costs

For the period ended 31 December 2024

	Value £'000	Commissions £'000	%	Taxes £'000	%	Other expense £'000	%	Total £'000
Analysis of total purchases costs								
Equity transactions	26,551	9	0.03	38	0.14	10	0.04	26,608
Bond transactions	21,680	–	–	–	–	–	–	21,680
In-specie transactions	111,660	–	–	–	–	–	–	111,660
Total	159,891	9		38		10		159,948

CCLA CAUTIOUS MULTI-ASSET FUND
NOTES TO THE FINANCIAL STATEMENTS
for the period from 16 February 2024 to 31 December 2024

13. Portfolio transaction costs *(continued)*

	Value £'000	Commissions £'000	%	Taxes £'000	%	Other expense £'000	%	Total £'000
Analysis of total sales costs								
Equity transactions	16,138	(6)	0.04	–	–	(2)	0.01	16,130
Fund transactions	4,568	–	–	–	–	–	–	4,568
Corporate actions	800	–	–	–	–	–	–	800
Total	21,506	(6)		–		(2)		21,498

Commissions and taxes as a percentage of average net assets

Commissions	0.01%
Taxes	0.04%

The average portfolio dealing spread, including the effect of foreign exchange, as at 31 December 2023 was 0.85%.

For the current year in the case of equities, commissions and taxes are paid by the Sub-Fund on each transaction. In addition, there is a dealing spread between the buying and selling prices of the underlying investments. Unlike equities, the majority of other types of investments (such as bonds, money market instruments, derivatives) have no separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and market sentiment.

14. Shareholders' funds – reconciliation of Shares

	31.12.2024 Class 'C' Shares Income	31.12.2024 Class 'C' Shares Accumulation
Opening number of Shares at beginning of year	–	–
Shares issued in year	92,289,888	6,557,890
Shares cancelled in year	(2,296,503)	(16,845)
Closing number of Shares at end of year	89,993,385	6,541,045

All Shares carry the same rights.

CCLA CAUTIOUS MULTI-ASSET FUND
NOTES TO THE FINANCIAL STATEMENTS
for the period from 16 February 2024 to 31 December 2024

15. Fair value of financial assets and financial liabilities

In respect of financial assets and liabilities other than investments (including investment liabilities), there is no material difference between their value, as shown on the balance sheet, and their fair value.

Investments are held at fair value. An analysis of the valuation technique used to derive fair value of the investments is shown below:

The fair value of investments has been determined using the following hierarchy:

Level 1 The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2 Inputs other than quoted prices included above that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3 Inputs that are unobservable (i.e. for which market data is unavailable) for the asset or liability.

For the period ended 31 December 2024

Category	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investment assets	**78,207**	**59,154**	**–**	**137,361**
	78,207	**59,154**	**–**	**137,361**

For financial instruments which have quoted prices for identical instruments in active markets, those prices are taken to be fair value.

For financial instruments for which the ACD uses valuation techniques using observable market data, the inputs include: prices of recent transactions for identical instruments in inactive markets; broker quotes; evaluated pricing data from data providers; or prices quoted for closely similar (but not identical) instruments.

For financial instruments for which the ACD uses valuation techniques using non-observable data, the inputs include: valuations from independent experts (which may include discounted cash flow calculations, or prices based upon income yield); or net asset values which the ACD considers reliable, based upon audit reports and the ACD's own knowledge of the investee entity.

CCLA CAUTIOUS MULTI-ASSET FUND
DISTRIBUTION TABLES
for the period from 16 February 2024 to 31 December 2024

Distribution in pence per share

First Interim

Group 1: Shares purchased on launch date 16 February 2024

Group 2: Shares purchased between 17 February 2024 and 31 March 2024

	Net income	Equalisation	Distribution paid 31/05/24	Distribution paid 31/05/23
Class C Shares – Income				
Group 1	0.390173	–	0.390173	n/a
Group 2	0.390173	0.000000	0.390173	n/a
Class C Shares – Accumulation				
Group 1	0.392658	–	0.392658	n/a
Group 2	0.382658	0.010000	0.392658	n/a

Second Interim

Group 1: Shares purchased prior to 1 April 2024

Group 2: Shares purchased between 1 April 2024 and 30 June 2024

	Net income	Equalisation	Distribution paid 30/08/24	Distribution paid 31/08/23
Class C Shares – Income				
Group 1	1.622146	–	1.622146	n/a
Group 2	1.622146	0.000000	1.622146	n/a
Class C Shares – Accumulation				
Group 1	1.638002	–	1.638002	n/a
Group 2	1.638002	0.000000	1.638002	n/a

CCLA CAUTIOUS MULTI-ASSET FUND
DISTRIBUTION TABLES
for the period from 16 February 2024 to 31 December 2024

Third Interim
Group 1: Shares purchased prior to 1 July 2024
Group 2: Shares purchased between 1 July 2024 and 30 September 2024

	Net income	Equalisation	Distribution paid 29/11/24	Distribution paid 30/11/23
Class C Shares – Income				
Group 1	1.187912	–	1.187912	n/a
Group 2	1.187912	0.000000	1.187912	n/a
Class C Shares – Accumulation				
Group 1	1.211970	-	1.211970	n/a
Group 2	0.123779	1.088191	1.211970	n/a

Final
Group 1: Shares purchased prior to 1 October 2024
Group 2: Shares purchased between 1 October 2024 and 31 December 2024

	Net income	Equalisation	Distribution paid 28/02/25	Distribution paid 29/02/24
Class C Shares – Income				
Group 1	0.983126	–	0.983126	n/a
Group 2	0.775286	0.207840	0.983126	n/a
Class C Shares – Accumulation				
Group 1	1.007854	–	1.007854	n/a
Group 2	0.118476	0.889378	1.007854	n/a

Equalisation
This applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of revenue included in the purchase price of all Group 2 shares and is refunded to the holders of these shares as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of the shares for capital gains tax purposes.

(Charity Registration No. 803610)

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E Sheldon (Chief Operating Officer)
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J Jesty
J Hobart
C Johnson
A Roughead
C West

Fund Manager
C Ryland

Company Secretary
J Fox (resigned 14 October 2024)
Marcelina Mochalska (appointed 14 October 2024)

Chief Risk Officer
J-P Lim

Head of Sustainability
J Corah

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ABOUT CCLA

Founded in 1958, CCLA is the largest fund manager for charities in the UK based on the number of charities invested with us. 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 means we must provide a supportive and stable environment for our staff, and deliver trusted, responsibly managed products and services to our clients, irrespective of their size.

CCLA

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