

KEY INFORMATION DOCUMENT



Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

Product

Fund Name	COIF Charities Fixed Interest Fund
Accumulation Units (ISIN)	GB0001878734
Income Units (ISIN)	GB0001877876
Name of manufacturer	CCLA Fund Managers Limited (the "Manager")
Website	www.ccla.co.uk
Client Services	0800 022 3505

The Manager is authorised and regulated by the Financial Conduct Authority (FCA).

This document is dated 27 July 2022.

What is this product?

Type

The COIF Charities Fixed Interest Fund (the "Fund") is a Common Investment Fund, governed by the Charities Act 2011 (as amended) and authorised by the Charity Commission. The Fund is managed as an Unregulated Collective Investment Scheme and as a UK Alternative Investment Fund in accordance with the Alternative Investment Fund Managers Directive (AIFMD) Legislation as defined in the Scheme Particulars.

Objectives

- The Fund aims to generate a total return (income plus capital growth) of cash (represented by the Sterling Overnight Index Average "SONIA") plus 1.75% per annum (net of fees and expenses) when measured over a rolling three year period.
- There is no guarantee that the investment objective of the Fund will be achieved over any time period. Capital is at risk.

Investment policy

- The Fund will invest in a range of fixed interest and floating rate debt securities (also known as bonds) and/or debt related instruments issued in a range of currencies by corporates and governments including leveraged loans (a type of loan given to companies that already have a considerable amount of debt or poor credit history), inflation-linked securities, money market instruments and asset backed or other securitised products. Asset backed or securitised products are financial instruments backed by income generating assets, such as mortgages and student loans.
- The Fund can invest in instruments issued by issuers located in developed markets (e.g. the UK, USA, Germany) and emerging markets (e.g. Brazil, Chile and Hungary).
- Exposure to these assets may be via direct holdings or indirectly through investment in other funds (including those managed and operated by the Manager, the sub-investment manager or their associates). Such funds may include exchange traded funds, closed-ended investment companies (including UK investment trusts) and open-ended funds.
- The Fund may invest in instruments that are either investment grade or non-investment grade as rated by one of S&P Global Ratings, Fitch Rating Services or Moody's Investors Service. Where an instrument does not have an explicit rating from one of these agencies, the investment manager or sub-investment manager is permitted to calculate a deemed rating. The value of an instrument may be affected by its credit rating. In general, non-investment grade bonds have a higher risk of defaulting.
- The Fund is actively managed. The investment manager and sub-investment manager use their expertise to select investments for the Fund and have the discretion to invest without the need to adhere to a particular benchmark.
- The Fund may use derivatives (financial instruments whose value is linked to that of another asset) for investment purposes and efficient portfolio management (for example hedging, to reduce currency risk).
- The Fund is managed in accordance with the Manager's ethical investment exclusions policy which is set out in further detail on our website.
- The return achieved by the Fund is dependent on the performance of the assets that the Fund invests in after deducting the costs, expenses and fees of running the Fund.

Benchmark

The Fund's performance can be assessed by reference to the target benchmark, SONIA plus 1.75% per annum after fees and expenses. Prior to 27 July 2022, the target benchmark was 50% Markit iBoxx £ Gilts Index and 50% Markit iBoxx £ Non-Gilts Index.

Intended retail investor

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

Term

The Fund has no fixed maturity date and cannot be terminated unilaterally by the Manager. The Fund may be wound up if the Trustee holds the opinion that winding up the Fund is in the interests of investors.

What are the risks and what could I get in return?

Risk indicator

1	2	3	4	5	6	7	
← Lower risk						Higher risk →	



The risk indicator assumes you keep the product for the recommended holding period (RHP) of three years. The actual risk can vary significantly if you cash in at an early stage and you may get back less.

- The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you. The risk of the Fund may be significantly higher than the one represented in the summary risk indicator where the Fund is not held for the recommended holding period.
- The Fund should be considered illiquid as it is not admitted to trading on a secondary market and no alternative liquidity facility is promoted by the Manager or a third party.
- We have classified this product as 2 out of 7, which is a low risk class. This rates the potential losses from future performance at a low level, and poor market conditions are very unlikely to impact the capacity of the Manager to pay you. This classification is not guaranteed and may change over time and may not be a reliable indication of the future risk profile of the Fund. The lowest category does not mean risk free.
- A more detailed description of risk factors that apply to this product is set out in the latest Scheme Particulars, which is available on the Manager's website or by request.
- This product does not include any protection from future market performance, so you could lose some or all of your investment.
- If we are not able to pay you what is owed, you could lose your entire investment.
- However, you may benefit from a consumer protection scheme (see the section 'What happens if the Manager is unable to pay out?'). The indicator shown above does not consider this protection.

Performance scenarios

Market developments in the future cannot be accurately predicted. The scenarios shown are only an indication of some of the possible outcomes. As the Fund has a new strategy, these scenarios are based on the returns from relevant indices that represent the strategy of the Fund's portfolio. Actual returns could be lower.

Investment of £10,000 Scenarios		(RHP)		
		1 year	3 years	5 years
Stress scenario	What you might get back after costs Average return each year	£8,587 -14.13%	£8,625 -4.81%	£8,260 -3.75%
Unfavourable scenario	What you might get back after costs Average return each year	£9,515 -4.85%	£9,288 -2.43%	£9,177 -1.70%
Moderate scenario	What you might get back after costs Average return each year	£10,030 0.30%	£10,178 0.59%	£10,328 0.65%
Favourable scenario	What you might get back after costs Average return each year	£10,576 5.76%	£11,156 3.71%	£11,627 3.06%

- This table shows the money you could get back over the next 1, 3 and 5 years, under different scenarios, assuming that you invest £10,000.
- The scenarios illustrate how your investment could perform. You can compare them with the scenarios of other products.
- The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies and are not an exact indicator. As future returns are unlikely to mirror the last 5 years, investors should treat these illustrations with caution. What you get will vary depending on how the market performs and how long you keep the product.
- The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you.
- The figures shown include all the costs of the product itself but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

What happens if the Manager is unable to pay out?

The assets of the Fund are held for the benefit of investors by HSBC Bank plc (the "Trustee"), and so are held separately from the assets of the Manager. In the event of insolvency of the Manager, the Fund's assets in the safekeeping of the Trustee will not be affected. However, in the event of insolvency of the Trustee, or its delegates, the Fund could suffer a loss.

If the Manager cannot meet its obligations (for example, where the Manager has stopped trading and there is insufficient assets to meet their obligations), investors in the Fund may be eligible to claim compensation up to a maximum of £85,000 from the Financial Services Compensation Scheme. For further information about the Financial Services Compensation Scheme please refer to www.fscs.org.uk or phone 0800 678 1100.

What are the costs?

Presentation of costs

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs.

The amounts shown here are the cumulative costs of the Fund itself, for three different holding periods. The figures assume you invest £10,000. The figures are estimates and may change in the future.

Costs over time

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs and show you the impact that all costs will have on your investment over time.

Investment of £10,000			
Scenarios	If you cash in after 1 year	If you cash in after 3 years (RHP)	If you cash in after 5 years
Total costs	£72	£134	£196
Impact on return (RIY) per year	0.72%	0.45%	0.39%

Composition of costs

The table below shows the impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period and the meaning of the different cost categories:

This table shows the impact on return per year			
One-off costs	Entry costs	0.21%	The impact of the costs you pay when entering your investment. These are already included in the price.
	Exit costs	0.21%	The impact of the costs you pay when exiting your investment. These are already included in the price.
Ongoing costs	Portfolio transaction costs	0.00%*	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	0.31%*	The impact of the costs that we take each year for managing your investments including custody costs.
Incidental costs	Performance fees	N/A	The impact of performance fees on your investment.
	Carried interests	N/A	The impact of carried interests on your investment.

*This figure is calculated from annualised historical data and therefore the actual costs paid by an investor may differ.

How long should I hold it and can I take money out early?

Recommended holding period is at least three years.

The Fund is intended for medium term investors with an investment horizon of three years. This reflects the investment objective of the Fund and the likely strategies used by the Manager. There is no minimum holding period and investors can request redemption of their units to be carried out on any dealing day without penalty.

The Fund deals on a weekly basis. Redemption requests must be received no later than 5.00pm the business day prior to the dealing day.

How can I complain?

Complaints concerning the operation of the Fund should be referred to The Head of Client Services at CCLA, One Angel Lane, London EC4R 3AB, by email to client.services@ccla.co.uk or The Compliance Officer, HSBC Bank plc, Trustee of the COIF Charities Funds, 8 Canada Square, London E14 5HQ.

The complaints policy is available on the Manager's website.

If you were advised on investing into the Fund, any complaints regarding that advice should be taken up with the party who provided it.

Other relevant information

Income and accumulation units are available for investment. Income units provide regular income distributions on a quarterly basis. Accumulation units do not distribute income, instead the distributions accumulate within the Fund and are reflected in the unit price.

Income is paid for the preceding quarter at the end of February, May, August and November.

The minimum initial investment in the Fund is £1,000; there is no minimum for subsequent investments.

CCLA have not considered the suitability or appropriateness of this investment against your individual needs and risk tolerance. To ensure you understand whether our product is suitable, please read the Scheme Particulars for the Fund which is available on the Manager's website or by request.

As set out in the Scheme Particulars, investment in the Fund is only available to charities in England and Wales within the meaning of Section 1(1) of the Charities Act 2011; or an "appropriate body" within the meaning of Section 97(3) of the Charities Act 2011. If you are unsure of your eligibility, please contact Client Services on 0800 022 3505 or by email to client.services@ccla.co.uk.

This Key Information Document is updated at least every twelve months.