

COIF CHARITIES GLOBAL EQUITY INCOME FUND  
INTERIM REPORT AND  
UNAUDITED FINANCIAL STATEMENTS

Half year ended 30 June 2023

**CCLA**

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

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

**Disability Discrimination Act 1995**

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

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

On behalf of the Board, I have pleasure in presenting the Interim Report and Unaudited Financial Statements of the COIF Charities Global Equity Income Fund (the Fund), which includes a separate report from CCLA Fund Managers Limited (the Manager) as Manager of the Fund.

### **Structure and management of the Fund**

The Fund is a Common Investment Fund established and regulated by the Scheme dated 30 October 2007 and made under section 24 of the Charities Act 1993, now section 96 of the Charities Act 2011 and amended by written resolutions of the charity trustees of the Fund dated 13 May 2009, 21 July 2014, 22 July 2014, 5 December 2015 and 21 August 2017 (the Scheme). The Fund is managed by the Manager as an unregulated collective investment scheme and as a UK alternative investment fund in accordance with the Financial Conduct Authority Regulations and the Alternative Investment Fund Managers Directive (AIFMD) Legislation.

The Board, created under the Scheme, is made up of individuals appointed under the Scheme. Together, these individuals have wide experience of finance, investments, charities and the law. No Board member is required to be approved by the Financial Conduct Authority because the Board does not carry out regulated activities in relation to the Fund. The investment management, administration, registrar and secretarial functions of the Fund have been delegated to the Manager. The Board meets at least four times per annum to receive reports and monitor the progress of the Fund.

The Board is responsible for setting and subsequently reviewing the investment policy of the Fund, monitoring performance, appointing the Auditor to the Fund and agreeing the fees charged by the Depositary, the Manager and the Auditor.

The Trustee and Depositary, HSBC Bank plc, appointed under the Scheme is responsible for the supervision and oversight of the Manager's compliance with the Scheme and Scheme Particulars and also for the custody and safekeeping of the property of the Fund. It is also responsible for the appointment and supervision of the Registrar of the Fund. The division between management and Depositary functions provides an additional layer of protection for Unitholders. The Board, Trustee and Manager are considered Charity Trustees of the Fund within the meaning of the Charities Act 2011.

### **Investment objective**

The Fund aims to provide a high level of income with long-term capital growth.

### **Comparator Benchmark**

MSCI™ World Index is the benchmark for the Fund.

### **Investment policy**

The Fund is an actively managed, diversified portfolio of global equities. It will principally invest in UK and overseas equities, but may also invest in other assets.

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

### Distribution Policy

The Fund has the capacity to make distributions from both income and capital. The annual rate of distribution is approved by the Board in discussions with the Manager.

During the year, the Board also met quarterly with the Manager, to review the investments, transactions and policies of the Fund. The Manager's report, which appears later, provides further details.

### Target investors

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 five years and understand that their capital may be at risk, have the ability to bear losses and appreciate that the value of their investment and any derived income may fall as well as rise. Please note that the Manager is not required to assess the suitability or appropriateness of the Fund against each investor. Investors may be either retail or professional clients (both per se and elective).

The Board evaluates the capability of the Manager (CCLA Fund Managers Limited) and is carefully monitoring its performance, resources and structure following the unexpected departure of the Chief Investment Officer in the second half of 2021.

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

The Board met quarterly during the year to carry out its responsibility for the approval of investment strategy, for setting distribution policy, to review investment diversification, suitability and risk and to review the performance of the Fund. In addition, the Board reviewed the administration, expenses and pricing of the Fund.

### Responsible investment and stewardship

The Fund is also managed in accordance with the Investment Manager's responsible investment policy and takes a positive approach to stewardship as defined in the UK Stewardship Code for institutional investors. The Investment Manager's response to this code and its voting and engagement records are available on its website ([www.ccla.co.uk](http://www.ccla.co.uk)). The Investment Manager is also a signatory to the United Nations backed Principles for Responsible Investment (PRI). The annual PRI assessment is available on the Investment Manager's website. The Fund will take an active policy with regard to corporate actions and voting as required.

The Board reviewed the progress of the Manager and approved the valuation of the investments in the Fund, which are included within the portfolio statement of these Financial Statements.

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

Over the reporting year the Fund's approach to stewardship has benefited from the Investment Manager's wider active ownership programme. This includes, but is not limited to, the CCLA Corporate Mental Health Benchmark, 'Find It, Fix It, Prevent It' (a campaign against modern slavery) and wider engagement on issues such as climate change and the cost of living.

### Ethical investment

The Board's main purpose is to obtain the best return for Unitholders, consistent with commercial prudence and the need to ensure diversification of assets.

The Board has adopted an ethical investment policy which reflects client priorities researched by the Manager. The Fund prohibits investment in companies that have been identified by our third-party data provider (MSCI), as being involved in:

- producing landmines, cluster bombs or chemical/biological weapons;
- producing tobacco products;
- having significant (>10%) turnover relating to online gambling or the production of pornography.

Companies that have not responded to persistent engagement on compliance with:

- The ILO Core Labour Standards;
- The UN Guiding Principles on Business and Human Rights; and
- Norms relating to Biodiversity, Toxic Waste and Climate Change disclosure;

are also restricted from investment.

### Controls and risk management

The Board receives and considers regular reports from the Manager. The Manager has established an internal control framework to provide reasonable, but not absolute, assurance on the effectiveness of the internal controls operated on behalf of its clients. The effectiveness of the internal controls is assessed by the directors and senior management of the Manager on a continuing basis.

During the year, the Board, assisted by the Manager, reviewed the Fund's systems of internal controls and risk reporting.

N Morecroft  
Chair  
26 September 2023

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

### Strategy

The portfolio is built on a ‘bottom-up’ basis, that is by selecting individual companies rather than by having pre-set allocations to any sector or region. We favour companies with robust financial positions and growth prospects which are not dependent on trends in the broad economy. This approach has resulted in relatively high weightings to companies in the technology and healthcare sectors and to non-bank financial businesses. In contrast there are low weightings to utilities companies, and no holdings in oil and gas producers.

### Annualised total capital and income return

To 30 June 2023	6 months %	1 year %	5 years % p.a.	10 years % p.a.
<b>Performance against market indices (after expenses)</b>				
COIF Charities Global Equity Income Fund	8.29	12.18	11.22	10.58
Income Units*	8.29	12.18	11.22	10.58
Accumulation Units*	8.30	12.18	11.22	10.59
Comparator benchmark <sup>#</sup>	8.89	13.21	9.90	11.76
MSCI World	8.89	13.21	9.90	11.47
MSCI UK Investable Market Index	2.27	6.98	2.70	5.61
Consumer Price Index (CPI)	3.38	7.96	4.45	2.95

# Comparator benchmark – composite – From 01.01.16 MSCI £ World. To 31.12.15 MSCI World (50% currency hedged) and to 31.12.11 FTSE All-Share Index.

\* Mid to mid plus income re-invested.

Source: CCLA.

### Performance

Over the six-month period under review the Fund’s total return was 8.29% on the Income Units and 8.30% on the Accumulation Units (after costs and expenses). This compares with a return on the comparator of 8.89%.

The Fund is actively managed and it is common for performance to be either above or below that of the comparator benchmark over any given reporting period. During the first half of 2023 equity market gains were narrowly concentrated in a handful of US ‘big tech’ stocks

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

which make up a high proportion of the market's overall value. The Fund's portfolio is well diversified across many companies and we avoid over-reliance on any individual holding, however favourably we regard its prospects. Hence, although some of these information technology stocks were held in the portfolio, and despite positive returns from holdings in other sectors, the Fund did not fully participate in the gains seen at the market level.

### Economic and Market Review

Equity markets had mixed fortunes over the first half of 2023 but made progress overall. The year got off to an encouraging start and January was strongly positive, as investors began to anticipate a peak in interest rates. The mood changed in February, however, amid signalling from the US Federal Reserve and other central banks that they regarded the fight against inflation as having some way to go. Headline inflation continued to fall but employment data indicated that jobs markets remained too tight for the regulators' liking, and core inflation measures which strip out volatility energy and food prices continued to rise. This reinforced expectations that interest rates would move higher and stay there for longer than had recently been priced in by markets.

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

The second quarter of the year brought a couple of spells of anxiety. Firstly, strong US economic data increased the perceived chance of monetary policy staying tighter for longer, which would be expected to suppress asset valuations. Then towards the end of May, concerns over the possibility of the US defaulting on its obligations, by failing to reach agreement on the debt ceiling, also raised concerns. Fortunately a deal was reached, alleviating those concerns and keeping the US market marginally in positive territory.

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

Further progress was made in June, but with increasing divergence between sectors. A handful of technology companies, especially those benefiting from surging interest in artificial intelligence (AI) continued to advance strongly. In contrast the majority of the market, and especially the traditional energy and materials sectors, languished as demand weakened and costs were impacted by inflation.

Over the six-month period under review the global equity index delivered total returns of +8.9% in sterling terms. ‘Growth’ stocks, which include most of those in the IT sector, once again outperformed the more defensive ‘value’ category. In the dominant US market, for example, the value index was down -11.1% (sterling terms) for the period compared with +10.4% from growth names.

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### Outlook

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

C Ryland  
Head of Investment  
CCLA Fund Managers Limited  
26 September 2023

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

**Top ten changes in portfolio composition**

	Cost £'000	Proceeds £'000
<b>Purchases:</b>		
Trane Technologies	2,596	
Tradeweb Markets	2,515	
Costco Wholesale	2,107	
Avantor	1,906	
Veeva Systems A	1,706	
ServiceNow	1,262	
Deere & Company	1,143	
Partners Group	932	
Estée Lauder	925	
Hexagon	915	
<b>Sales:</b>		
Roche Holdings		2,534
The Walt Disney Company		2,430
Assa Abloy B		2,397
Amadeus IT Group		2,321
Unilever		2,148
PayPal Holdings		2,020
Novo Nordisk 'B'		1,990
JP Morgan Chase & Co		1,924
Microsoft		1,629
Medtronic		1,502

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

**Risk warning**

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

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

The Fund may invest in emerging market countries which could be subject to political and economic change. The Fund may also invest in collective investment schemes and other assets.

The Fund's Unit value will reflect fluctuations in securities' prices and currency exchange rates.

## SUMMARY RISK INDICATOR

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



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

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

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

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

**COMPARATIVE TABLE****Change in net assets per Unit**

	Income Units			
	Half year to 30.06.2023 pence per Unit	Year to 31.12.2022 pence per Unit	Year to 31.12.2021 pence per Unit	Year to 31.12.2020 pence per Unit
Opening net asset value per Unit	245.22	285.76	246.67	246.67
Return before operating charges*	21.34	(31.65)	48.11	48.11
Operating charges***	(1.01)	(2.07)	(2.20)	(2.20)
Return after operating charges*	20.33	(33.72)	45.91	45.91
Distributions on Income Units	(3.42)	(6.82)	(6.82)	(6.82)
Closing net asset value per Unit	262.13	245.22	285.76	285.76

\* after direct transaction costs of:

<b>Performance</b>				
Return after charges	8.29%	(11.80%)	18.61%	22.33%

**Other information**

Closing net asset value (£'000)	209,391	197,569	233,724	190,059
Closing number of Units	79,881,069	80,566,452	81,790,579	77,050,951
Operating charges**	0.79%	0.81%	0.83%	0.95%
Direct transaction costs	0.01%	0.04%	0.05%	0.05%

**Prices (pence per Unit)**

Highest Unit price (offer)	265.55	285.04	291.89	250.58
Lowest Unit price (bid)	246.40	230.08	238.60	173.85

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

\*\* Operating charges comprise the Manager's annual management charge and other expenses, including VAT, but before taking account of rebates, as these only offset charges incurred within the underlying funds. The percentages above reflect these charges divided by average net assets for the period/year. Industry guidance requires a 'synthetic' operating charge figure to be calculated where a Fund invests a proportion of its assets in other funds. Operating charges as at 30 June 2023 and 31 December 2022 include synthetic costs of 0.00% which represent the OCF of the underlying funds weighted on the basis of the investment proportion. Synthetic cost were not included in previous periods.

\*\*\* Operating charges includes VAT reclaims received during the period/year.

**COMPARATIVE TABLE****Change in net assets per Unit**

	Half year to 30.06.2023 pence per Unit	Accumulation Units		
		Year to 31.12.2022 pence per Unit	Year to 31.12.2021 pence per Unit	Year to 31.12.2020 pence per Unit
Opening net asset value per Unit	463.04	525.07	441.84	359.97
Return before operating charges*	40.38	(58.13)	87.27	85.58
Operating charges***	(1.90)	(3.90)	(4.04)	(3.71)
Return after operating charges*	38.48	(62.03)	83.23	81.87
Distributions on Accumulation Units	(3.34)	(5.31)	(4.32)	(4.33)
Retained distributions on Accumulation Units	3.34	5.31	4.32	4.33
Closing net asset value per Unit	501.52	463.04	525.07	441.84

\* after direct transaction costs of: 0.06 0.21 0.04 0.21

**Performance**

Return after charges	8.31%	(11.81%)	18.84%	22.74%
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**Other information**

Closing net asset value (£'000)	25,829	25,875	10,367	6,751
Closing number of Units	5,150,234	5,588,020	1,974,309	1,527,985
Operating charges**	0.79%	0.83%	0.83%	0.95%
Direct transaction costs	0.01%	0.04%	0.05%	0.05%

**Prices (pence per Unit)**

Highest Unit price (offer)	502.05	523.76	533.16	445.76
Lowest Unit price (bid)	465.27	425.44	427.39	302.15

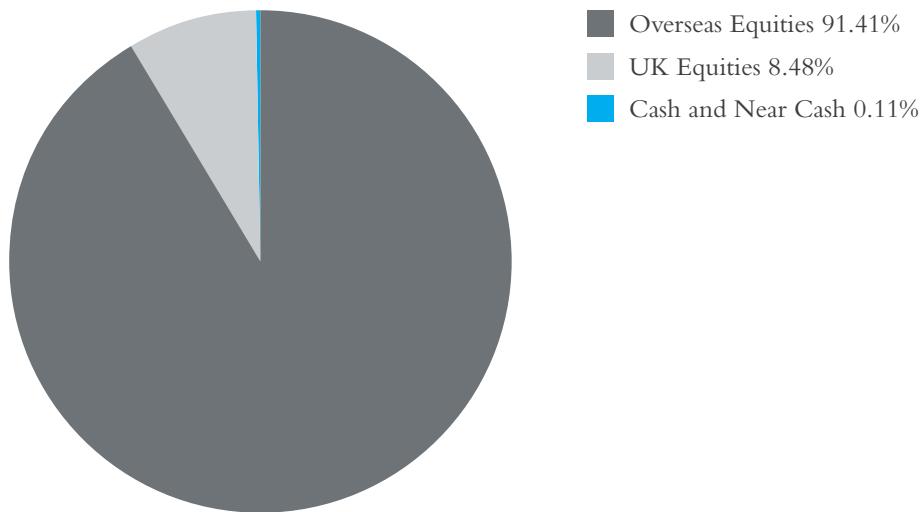
The return after charges has been calculated in accordance with the Statement of Recommended Practice for UK Authorised Funds' (SORP) prescribed calculation methodology. This is for financial statement reporting purposes only and may differ from the Fund's performance disclosed in the Report of the Investment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

\*\* Operating charges comprise the Manager's annual management charge and other expenses, including VAT, but before taking account of rebates, as these only offset charges incurred within the underlying funds. The percentages above reflect these charges divided by average net assets for the period/year. Industry guidance requires a 'synthetic' operating charge figure to be calculated where a Fund invests a proportion of its assets in other funds. Operating charges as at 30 June 2023 and 31 December 2022 include synthetic costs of 0.00% which represent the OCF of the underlying funds weighted on the basis of the investment proportion. Synthetic cost were not included in previous periods.

\*\*\* Operating charges includes VAT claims received during the period/year.

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

**Portfolio Allocation**



**Breakdown of Overseas Equities  
by Geography**

North America	67.36%
Developed Europe	17.14%
Asia Pacific ex Japan	4.23%
Other Countries	1.49%
Japan	1.19%
	<b>91.41%</b>

**Breakdown of Equities by Sector**

Information Technology	25.84%
Health Care	20.72%
Financials	18.32%
Industrials	13.72%
Consumer Staples	8.50%
Consumer Discretionary	8.28%
Communication Services	2.98%
Real Estate	0.90%
Utilities	0.63%
	<b>99.89%</b>

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

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

	Holding	Fair value £'000	% of total net assets
<b>UNITED KINGDOM 8.48% (31.12.2022 – 9.15%)</b>			
Consumer Discretionary 1.34% (31.12.2022 – 1.05%)			
InterContinental Hotels Group	57,904	3,147	1.34
Consumer Staples 1.09% (31.12.2022 – 2.40%)			
Diageo	75,982	2,567	1.09
Financials 2.04% (31.12.2022 – 2.08%)			
London Stock Exchange Group	40,284	3,370	1.43
Prudential	128,913	1,429	0.61
Health Care 1.43% (31.12.2022 – 1.45%)			
AstraZeneca	29,781	3,358	1.43
Industrials 2.58% (31.12.2022 – 2.17%)			
Experian	98,216	2,963	1.26
RELX	118,713	3,111	1.32
<b>OVERSEAS EQUITIES 91.41% (31.12.2022 – 87.80%)</b>			
DEVELOPED EUROPE 17.14% (31.12.2022 – 23.14%)			
Communication Services 1.19% (31.12.2022 – 1.25%)			
Universal Music Group	159,779	2,789	1.19
Consumer Discretionary 1.73% (31.12.2022 – 1.39%)			
LVMH Moet Hennessy Louis Vuitton	5,487	4,064	1.73
Consumer Staples 4.77% (31.12.2022 – 4.76%)			
Heineken	17,764	1,436	0.61
Kerry Group	26,672	2,046	0.87
L'Oréal	6,945	2,545	1.08
Nestlé	29,174	2,759	1.17
Pernod Ricard	14,017	2,435	1.04
Financials 2.41% (31.12.2022 – 2.11%)			
Deutsche Boerse	19,678	2,858	1.22
Partners Group	3,792	2,805	1.19

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

	Holding	Fair value £'000	% of total net assets
<b>Health Care 2.28% (31.12.2022 – 6.34%)</b>			
Essilor International	18,541	2,746	1.17
Novo Nordisk 'B'	20,625	2,617	1.11
<b>Industrials 2.02% (31.12.2022 – 2.50%)</b>			
Schneider	18,517	2,645	1.13
Wolters Kluwer	21,080	2,104	0.89
<b>Information Technology 2.74% (31.12.2022 – 4.79%)</b>			
ASML Holding	6,423	3,654	1.55
Hexagon	290,889	2,803	1.19
<b>NORTH AMERICA 67.36% (31.12.2022 – 57.79%)</b>			
<b>Communication Services 1.80% (31.12.2022 – 2.41%)</b>			
Alphabet C	44,437	4,226	1.80
<b>Consumer Discretionary 5.21% (31.12.2022 – 4.60%)</b>			
Amazon.com	47,141	4,831	2.05
McDonald's	8,007	1,879	0.80
Nike B	30,341	2,632	1.12
Starbucks	37,588	2,927	1.24
<b>Consumer Staples 2.64% (31.12.2022 – 1.93%)</b>			
Costco Wholesale	5,012	2,122	0.90
Estee Lauder	14,707	2,272	0.97
Pepsico	12,412	1,808	0.77
<b>Financials 12.07% (31.12.2022 – 8.71%)</b>			
Alexandria Real Estate Equities	23,602	2,106	0.90
CME Group	19,845	2,892	1.23
Intercontinental Exchange Group	46,689	4,153	1.77
Marsh & McLennan	14,218	2,103	0.89
Mastercard	12,474	3,856	1.64
S&P Global	14,028	4,423	1.88
The Blackstone Group	27,132	1,984	0.84
Tradeweb Markets	42,129	2,269	0.96
Visa A	24,683	4,607	1.96

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

	Holding	Fair value £'000	% of total net assets
<b>Health Care 17.01% (31.12.2022 – 14.85%)</b>			
Abbott Laboratories	30,321	2,600	1.11
Agilent Technologies	27,652	2,615	1.11
Avantor	112,024	1,809	0.77
Danaher	15,743	2,973	1.26
Edwards Lifesciences	53,980	4,005	1.70
Humana	9,065	3,187	1.36
ICON	20,354	4,006	1.70
Illumina	10,672	1,573	0.67
Intuitive Surgical	8,078	2,171	0.92
Stryker	11,722	2,811	1.20
Thermo Fisher Scientific	8,394	3,442	1.46
UnitedHealth Group	11,211	4,237	1.80
Veeva Systems A	11,810	1,837	0.78
Zoetis	20,348	2,754	1.17
<b>Industrials 9.12% (31.12.2022 – 7.10%)</b>			
Ametek	18,368	2,337	0.99
Deere & Company	4,065	1,295	0.55
Honeywell International	12,287	2,005	0.85
IDEX	13,134	2,225	0.95
Ingersoll Rand	47,909	2,463	1.05
Trane Technologies	17,772	2,672	1.14
TransUnion	64,289	3,963	1.68
Union Pacific	10,603	1,705	0.72
Verisk Analytics	15,719	2,794	1.19

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

	Holding	Fair value £'000	% of total net assets
<b>Information Technology 18.88% (31.12.2022 – 17.18%)</b>			
Accenture	13,807	3,348	1.42
Adobe	11,818	4,543	1.93
Ansys	12,480	3,241	1.38
Broadcom	3,235	2,205	0.94
Intuit	10,617	3,825	1.63
Microsoft	32,761	8,769	3.73
Nvidia	6,664	2,216	0.94
NXP Semiconductors	20,046	3,225	1.37
Roper Technologies	9,100	3,441	1.46
ServiceNow	9,036	3,994	1.70
Synopsys	9,349	3,202	1.36
Texas Instruments	16,898	2,392	1.02
<b>Utilities 0.63% (31.12.2022 – 1.01%)</b>			
NextEra Energy	25,420	1,483	0.63
<b>JAPAN 1.19% (31.12.2022 – 0.84%)</b>			
<b>Information Technology 1.19% (31.12.2022 – 0.84%)</b>			
Keyence	7,600	2,805	1.19
<b>ASIA PACIFIC EX JAPAN 4.23% (31.12.2022 – 4.54%)</b>			
<b>Financials 2.69% (31.12.2022 – 3.37%)</b>			
AIA Group	400,600	3,180	1.35
HDFC Bank	57,639	3,158	1.34
<b>Information Technology 1.54% (31.12.2022 – 1.17%)</b>			
Taiwan Semiconductor Manufacturing Company	249,000	3,616	1.54

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

	Holding	Fair value £'000	% of total net assets
<b>OTHER 1.49% (31.12.2022 – 1.49%)</b>			
Information Technology 1.49% (31.12.2022 – 1.49%)			
Nice	21,564	3,503	1.49
<b>INVESTMENT ASSETS</b>		<b>234,966</b>	<b>99.89</b>
<b>NET OTHER ASSETS</b>		<b>254</b>	<b>0.11</b>
<b>TOTAL NET ASSETS</b>		<b>235,220</b>	<b>100.00</b>

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

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

	Period ended 30.06.2023 £'000	Period ended 30.06.2022 £'000
<b>Income</b>		
Net capital gains/(losses)	17,726	(37,224)
Revenue	1,762	1,651
Expenses	(912)	(893)
Interest payable and similar charges	(1)	–
Net revenue before taxation	849	758
Taxation	(140)	(228)
Net revenue after taxation	709	530
<b>Total return/(deficit) before distributions</b>	<b>18,435</b>	<b>(36,694)</b>
Distributions	(2,919)	(2,868)
<b>Change in net assets attributable to Unitholders from investment activities</b>	<b>15,516</b>	<b>(39,562)</b>

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

	Period ended 30.06.2023 £'000	Period ended 30.06.2022 £'000
<b>Opening net assets attributable to Unitholders</b>	<b>223,444</b>	<b>244,091</b>
Amounts receivable on issue of Units	1,585	19,237
Amounts payable on cancellation of Units	(5,497)	(5,559)
	(3,912)	13,678
<b>Change in net assets attributable to Unitholders from investment activities</b>	<b>15,516</b>	<b>(39,562)</b>
Retained distributions on Accumulation Units	172	124
<b>Closing net assets attributable to Unitholders</b>	<b>235,220</b>	<b>218,331</b>

The note on page 21 and the distribution tables on page 22 form part of these financial statements.

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

**BALANCE SHEET**

at 30 June 2023 (unaudited)

	30.06.2023 £'000	31.12.2022 £'000
<b>ASSETS</b>		
Fixed assets:		
Investments	234,966	216,632
Current assets:		
Debtors	394	407
Cash equivalents	1,250	6,550
Cash and bank balances	1,093	1,424
Total current assets	2,737	8,381
<b>Total assets</b>	<b>237,703</b>	<b>225,013</b>
<b>LIABILITIES</b>		
Creditors:		
Other creditors	1,117	199
Distribution payable on Income Units	1,366	1,370
Total creditors	2,483	1,569
<b>Total liabilities</b>	<b>2,483</b>	<b>1,569</b>
<b>Net assets attributable to Unitholders</b>	<b>235,220</b>	<b>223,444</b>

The financial statements on pages 19 to 22 have been approved by the Board.

Approved on behalf of the Board  
26 September 2023

N Morecroft, Chair

The notes on page 21 and the distribution tables on page 22 form part of these financial statements.

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

**1. Accounting policies**

*Basis of preparation*

The financial statements have been prepared on a going concern basis, in compliance with United Kingdom Generally Accepted Accounting Practice including FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (United Kingdom Generally Accepted Accounting Practice), the Charities Act 2011, and AlternativesInvestment Fund Managers Directive (AIFMD). The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments.

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

**DISTRIBUTION TABLES**  
for the half year ended 30 June 2023 (unaudited)

Period ended	Date payable/paid		Dividends payable/paid pence per Unit	
	2023	2022	2023	2022
<b>Income Units</b>				
31 March	31 May	31 May	1.71	1.71
30 June	31 August	31 August	1.71	1.71
			3.42	3.42
 <b>Accumulation Units</b>				
31 March			1.25	1.18
30 June			2.09	1.75
			3.34	2.93

## STATEMENT OF BOARD, TRUSTEE, DEPOSITORY AND MANAGER RESPONSIBILITIES

### Responsibilities of the Board

The Board shall comply with the duty of care when exercising its powers and discharging its duties under the Scheme, as follows:

- making and revising the written statement of the investment objectives of the Fund and ensuring that details of such investment objectives will be included in the Scheme Particulars;
- determining the criteria and methods for evaluating the performance of the Fund;
- granting prior written approval to the Manager should the Manager wish to enter into certain types of investment or a specific course of borrowing on behalf of the Fund;
- appointing the Auditor of the Fund and agreeing their terms of engagement;
- making an annual report on the discharge of the Board's responsibilities;
- determining the rate of remuneration of the Trustee and the Manager in accordance with the Scheme and the Scheme Particulars;
- applying to the Charity Commission for an order to discharge the Trustee from the provisions of the Scheme and an order to appoint a new Trustee of the provisions of the Scheme;

- making representations to the Trustee on the winding up of the Fund: provided that any Board member who has any interests in the Trustee or the Manager shall not participate in the Board's discussions and decisions on the matter and shall not be counted in the quorum necessary for the transaction of such business; and
- informing the Charity Commission promptly and in writing if the Board is not satisfied at any time as to the compliance of the Trustee or the Manager with the Scheme or the Scheme Particulars.

Under the Alternative Investment Fund Managers Directive ("AIFMD"), the Board has certain additional responsibilities including:

- the duty to inform the Financial Conduct Authority promptly and in writing if the Board is not satisfied with the compliance of the Trustee or the Manager with the applicable provisions of AIFMD; and
- the direct power (without reference to the Charity Commission) to require the removal of the Manager and/or the Trustee where it considers for good and sufficient reason that a change of Manager or Trustee is in the interests of the Participating Charities.

## STATEMENT OF BOARD, TRUSTEE, DEPOSITORY AND MANAGER RESPONSIBILITIES

### Responsibilities of the Trustee

The Trustee shall be responsible for those aspects of the administration and management of the Fund and its property which are specified in the Scheme. The Trustee shall comply with the duty of care when exercising its powers and discharging its duties. The following are the duties and powers of the Trustee:

- the supervision and oversight of the Manager's compliance with the Scheme and the Scheme Particulars. In particular, the Trustee shall be satisfied that the Manager is competently exercising its powers and discharging its duties under the Scheme, and that the Manager is maintaining adequate and proper records;
- the appointment, supervision and oversight of any Registrar or other delegate which it has appointed in accordance with the Scheme;
- the custody and control of the property of the Fund and the collection of all income due to the Fund;
- the creation and cancellation of Units as instructed by the Manager (except where the Scheme Particulars permit the Trustee to disregard those instructions);
- making distributions or allocations to Participating Charities in proportion to their respective Units in the property of the Fund;

- the making of an annual report on the discharge of its responsibilities for the management of the Fund; and
- winding up the Fund.

The Trustee shall take all steps and execute all documents as are necessary to secure that instructions given to it by the Manager are carried out as to the exercise of rights (including voting rights) attaching to the ownership of property of the Fund and that the purchases and sales of investments for or of the Fund are properly completed.

The Trustee shall maintain such records as are necessary to enable it to comply with the Scheme and with section 130 of the Charities Act and to demonstrate that such compliance has been achieved.

## STATEMENT OF BOARD, TRUSTEE, DEPOSITORY AND MANAGER RESPONSIBILITIES

### Responsibilities of the Depositary

The Depositary must ensure that the Fund is managed in accordance with the Financial Conduct Authority's Investment Funds Sourcebook, ("the Sourcebook"), the Alternative Investment Fund Managers Directive ("AIFMD") (together "the Regulations") and the Fund's Scheme Particulars.

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

The Depositary is responsible for the safekeeping of the assets of the Fund in accordance with the Regulations.

The Depositary must ensure that:

- the Fund's cash flows are properly monitored and that cash of the Fund is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, repurchase, redemption and cancellation of Units are carried out in accordance with the Regulations;
- the assets under management and the net asset value per share of the Fund are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Fund's assets is remitted to the Fund within the usual time limits;

- that the Fund's income is applied in accordance with the Regulations; and
- the instructions of the Alternative Investment Fund Manager ("the AIFM") are carried out (unless they conflict with the Regulations).

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

## STATEMENT OF BOARD, TRUSTEE, DEPOSITORY AND MANAGER RESPONSIBILITIES

### Responsibilities of the Manager

The Manager shall be responsible for those aspects of the administration and management of the Fund and its property which are specified in the Scheme. The Manager shall comply with the duty of care when exercising its powers and discharging its duties under the Scheme. The following are the duties and powers of the Manager:

- instructing the Trustee with respect to the creation and cancellation of Units;
- managing the investments of the Fund in conformity with the investment objectives made by the Board;
- ensuring that regular valuations of the property of the Fund are carried out and to ensure that the Units are correctly priced;
- the creation and revision of the Scheme Particulars;
- maintenance of a daily record of Units purchased or sold on behalf of the Trustee;
- the creation of all records in respect of the Fund, available for inspection by the Trustee;
- the preparation of reports and accounts in respect of every accounting period; and
- the supervision and oversight of any appointed delegate.

The Manager of the Fund is required by the Scheme to:

- prepare and submit to the Charity Commission a statement of accounts and annual report complying with the requirements of the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008, as amended or replaced from time to time; and
- prepare and submit to the Charity Commission a half-yearly report and accounts for the Fund made up to the date of the interim balance sheet.

The Manager is required to:

- select suitable accounting policies that are appropriate for the Fund and apply them on a consistent basis;
- comply with the disclosure requirements of FRS 102;
- follow generally accepted accounting principles and applicable accounting standards;
- keep proper accounting records which enable the Manager to demonstrate that the Financial Statements as prepared comply with the above requirements;

## STATEMENT OF BOARD, TRUSTEE, DEPOSITORY AND MANAGER RESPONSIBILITIES

- make judgments and estimates that are reasonable and prudent; and
- prepare the Financial Statements on the basis that the Fund will continue in operation unless it is inappropriate to presume this.

The Trustee has appointed the Manager to act as Registrar to the Fund.

Under AIFMD, the Manager has certain additional responsibilities including, ensuring compliance with the applicable provisions of AIFMD and that any delegation by the Manager is in accordance with AIFMD.

Should the Manager wish to retire, the Manager can only be discharged from its duties under the Scheme following the appointment of a replacement Manager who is eligible under AIFMD to act as Manager of the Fund.

(Charity Registration No. 1121433)

**DIRECTORY****Board**

N Morecroft, ASIP (Chair)  
 K Corrigan, FCCA  
 J Hobart, MA  
 C Ong, MBA  
 A Watson, CBE – deceased – resigned on 6 March 2023  
 K Shenton – appointed on 6 June 2023

**Manager, Alternative Investment Fund Manager (AIFM), and Registrar**  
 CCLA Fund Managers Limited

**Investment Manager**

CCLA Investment Management Limited  
*Both CCLA Fund Managers Limited and CCLA Investment Management Limited are authorised and regulated by the Financial Conduct Authority*  
 Registered Office Address  
 One Angel Lane  
 London  
 EC4R 3AB  
 Telephone: 0207 489 6000  
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 Email: [clientservices@ccla.co.uk](mailto:clientservices@ccla.co.uk)  
[www.ccla.co.uk](http://www.ccla.co.uk)

**Administrator**

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

**Executive Directors of the Manager**

E Sheldon (Chief Operating Officer)  
 D Sloper (Chief Executive Officer)  
 J Berens – appointed on 9 February 2023

**Non-Executive Directors of the Manager**

R Horlick (Chair)  
 J Jesty  
 A Roughead

*Fund Manager (CCLA Investment Management Limited)*

C Ryland  
 J Ayre

*Company Secretary*

J Fox

*Chief Risk Officer*

J-P Lim

*Head of Sustainability*

J Corah

**Third Party Advisors**

*Custodian, Trustee and Depositary*  
 HSBC Bank plc  
 8 Canada Square  
 Canary Wharf  
 London  
 E14 5HQ

*Banker*

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

*Independent Auditor*

Deloitte LLP  
 110 Queen Street  
 Glasgow  
 G1 3BX

## **ABOUT CCLA**

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

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



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**[www.ccla.co.uk](http://www.ccla.co.uk)**

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

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