

COIF CHARITIES SHORT DURATION BOND FUND
ANNUAL REPORT AND
FINANCIAL STATEMENTS

For the year ended 31 December 2024

CCLA

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*Collectively, these comprise the Manager'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 BOARD**for the year ended 31 December 2024**

On behalf of the Board, I have pleasure in presenting the Annual Report and Financial Statements of the COIF Charities Short Duration Bond Fund (the Fund), which includes a separate report from CCLA Investment Management Limited (Investment) as Investment Manager of the Fund. The Sub-Investment Manager of the Fund is Hermes Investment Management Limited.

Structure and management of the Fund

The Fund is a Common Investment Fund established in 1990 and is now regulated by the Scheme dated 29 November 2000 and made under section 24 of the Charities Act 1993, now section 96 of the Charities Act 2011 and amended by resolutions of the charity trustees of the Fund dated 13 May 2009, 21 July 2014, 22 July 2014, 17 November 2015 and 20 November 2023 (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 and charities. 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 COIF Board appoints the Manager who is responsible for all the investment management and administration services in relation to the Fund including the day to day management of the Fund. The Manager is also responsible for the risk management of the Fund. The Investment Manager has been appointed by the Manager to provide portfolio management, administrative and secretarial services to the Fund under the Investment Management Agreement. The Board meets at least four times per annum to receive reports and monitor the progress of the Fund.

During 2023 the operational independence of CCLA Fund Managers Limited was enhanced.

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

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.

REPORT OF THE BOARD

for the year ended 31 December 2024

The Board, Trustee and Manager are considered Charity Trustees of the Fund within the meaning of the Charities Act 2011.

From 20 November 2023, CCLA appointed FNZ TA Services Limited (FNZ) as its transfer agent. As transfer agent, FNZ now process all transactions in units of the fund, record changes to client static information on behalf of CCLA and facilitate the payment of income distributions.

As part of the outsourcing arrangement, a number of changes were made to the Fund, including:

- Change in dealing frequency, from weekly to daily.
- Changes to the valuation point and dealing deadline to receive dealing instructions.
- Change to pricing mechanism, from dual priced (bid/offer) to single 'swing' pricing for both buy and sell instructions.
- Name of the fund was changed from COIF Charities Fixed Interest Fund to COIF Charities Short Duration Bond Fund.
- The investment policy was updated to reflect the fund being managed to a duration limit of 3.5 years.

Disappointingly, the transition was not as smooth as CCLA had expected and tested for. This resulted in a period where we fell behind our usually high standards of administration and reporting. Performance has improved and we continue to work tirelessly to ensure we return to the service levels our clients expect from us.

The Board have been kept fully informed and understand the difficulties experienced by CCLA and COIF's clients.

Investment objective

The Fund aims to generate a total return (income plus capital growth) of cash (represented by 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.

Target Benchmark

The target benchmark for the Fund is SONIA plus 1.75% per annum. The target benchmark sets a standard against which the performance of the Fund can be assessed.

REPORT OF THE BOARD

for the year ended 31 December 2024

Investment policy

The Fund will invest in a range of fixed and floating rate debt and/or debt related instruments issued by corporates and governments (government and public securities) including loans (which may be leveraged), inflation-linked securities, money market instruments and asset backed or other securitised products. Such instruments may be issued by issuers located in developed and emerging markets (as defined by MSCI for the purposes of its developed and emerging markets indices). 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. Investments made by the Fund may be either liquid or illiquid in nature.

The Fund will be managed to ensure that the Fund's Duration is less than 3.5 years, with the aim of reducing the effect of changes in interest rates on the Fund's value. The Fund's Duration measures the sensitivity of the value of the Fund to a change in interest rates; the lower the Duration the less impact a change in interest rates will have on the Fund's value.

The Fund is actively managed which means CCLA/the Sub-Investment Manager uses their discretion to pick investments to seek to achieve the investment objective.

The Fund will invest in instruments issued in a range of currencies and will hedge the non-sterling denominated portion of the portfolio back to the Fund's Base Currency in a range of 95%–105% of the Net Asset Value of the Scheme Property, to reduce the risk of exposure to non-sterling currency fluctuations.

The Fund may invest in instruments that are either investment grade or non-investment grade as rated by a recognised credit rating agency. Where an instrument does not have an explicit rating from a recognised credit rating agency ("Unrated Securities"), the Investment Manager or the Sub-Investment Manager is permitted to calculate a deemed rating.

The constraints set out below will apply to the Fund. During periods of rapid credit rating downgrades and/or market illiquidity however, these constraints may be temporarily exceeded. Where this occurs steps will be taken to bring the Fund into compliance with the constraints stated below within a reasonable period of time.

- The maximum exposure to non-investment grade securities is 20% of the Net Asset Value of the Scheme Property. Credit ratings used for measuring compliance with this rule are the highest long-term ratings of the recognised credit rating agencies used.
- The maximum exposure to non-investment grade securities with a rating assessed as being less than 'speculative' status is 5% of the Net Asset Value of the Scheme Property.

REPORT OF THE BOARD

for the year ended 31 December 2024

- The maximum exposure to Unrated Securities (including securities that CCLA and/or Sub-Investment Manager have given a deemed rating) is 5% of the Net Asset Value of the Scheme Property.
- The Fund will invest no more than 10% of its Net Asset Value in Collective Investment Schemes including In-House Funds.

The Fund uses derivatives (financial instruments whose value is linked to that of another asset) for investment purposes and efficient portfolio management. Efficient portfolio management includes hedging (for example, reducing currency risk) and otherwise managing the Fund in a way that is designed to reduce risk or costs and/or to generate extra income or growth with a level of risk consistent with the risk profile of the Fund. The Fund is managed in accordance with our ethical investment exclusions policy which is set out in further detail on our website at www.ccla.co.uk.

The Sub-Investment Manager

Hermes Investment Management Limited has been appointed by CCLA as the Sub-Investment Manager of the Fund. The Sub-Investment Manager is a limited liability company incorporated in England and Wales with company registration number 02466043 whose address and details are shown in the directory.

The Sub-Investment Manager is authorised and regulated by the Financial Conduct Authority in the conduct of investment business in the United Kingdom and is entered on the FCA's register under reference number 150000.

The Sub-Investment Manager provides portfolio management services to the Fund.

CCLA is responsible for any fees payable to the Sub-Investment Manager.

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 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. Please note that the Manager is not required to assess the suitability or appropriateness of the Fund against each investor. Investors may be either retail or professional clients (both per se and elective).

Review of investment activities and policies of the Fund

The 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.

REPORT OF THE BOARD

for the year ended 31 December 2024

The Board is aware that investment performance was disappointing in relative terms during 2024 against the Comparator Benchmark and this has been discussed in detail with both the investment team and senior CCLA management. Without being at all complacent, the Board notes that long-term performance over 10 years remains encouraging in both absolute and relative terms.

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.

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

In terms of other matters, the Board is pleased to report that CCLA won a tax reclaim from HMRC regarding VAT charged on management fees in the period immediately before Brexit. HMRC are not appealing the decision and the exact amount to be credited to the fund is still being agreed with HMRC but it will be substantial, as in £millions.

Sustainability approach

In 2024, the Financial Conduct Authority introduced 'Sustainable Disclosure Requirements' (SDRs). These SDRs strictly limit the term 'sustainable' to funds that carry one of the FCA's four 'sustainability labels'.

Those labels, are

Sustainability Focus: these funds invest mainly in assets that focus on sustainability for people or the planet.

Sustainability Improvers: these funds invest mainly in assets that may not be sustainable now, but aim to improve their sustainability.

Sustainability Impact: these funds invest mainly in solutions to sustainability problems with an aim to achieve a positive impact for people or the planet.

Sustainability Mixed Goals: these funds invest mainly in a mix of assets that either focus on sustainability, aim to improve their sustainability over time, or aim to achieve a positive impact for people or the planet.

In creating the Sustainable investment labels the FCA's aim was to help investors find products that have a specific sustainability goal. The fund does not use a sustainable investment label because it does not have a sustainability goal. However, the Fund is managed in line with values-based investment restrictions that have been set by CCLA to reflect the values and mission of the Fund's Unitholders. The restrictions that apply to the Fund are set out below:

- **Adult Entertainment:** companies that derive more than 3% of revenue from the production and/or distribution of adult entertainment.
- **Gambling:** companies that derive more than 10% of revenue from the operation of gambling establishments and the provision of key support services and products.

REPORT OF THE BOARD

for the year ended 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.
- **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.
- **Cannabis:** companies that derive more than 10% of revenue from the production and/or retail of non-medicinal cannabis.
- **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).
- **High Interest Rate Lending:** companies that derive more than 10% of their revenue from high interest rate lending.
- **Breast Milk Substitutes:** companies that do not meet the Manager's minimum standards for breast milk substitutes, based on the Access to Nutrition BMS index.
- **Animal Testing on Cosmetics:** Companies in the Personal Products Global Industry Classification Standard Sub-Industry that have any involvement in testing cosmetics on animals. Due to regulatory requirements in some countries, exceptions will be made for companies that are identified as promoting alternatives to animal testing and which adopt a rigorous, responsible, animal testing policy.
- **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 Manager).
- **Abortifacients:** companies that produce single-purpose abortifacients.

REPORT OF THE BOARD

for the year ended 31 December 2024

- **Sovereign Debt:** no direct investment in sovereign debt from countries identified by the Manager as being amongst the world's most oppressive.
- **Collective Investment Schemes:** Other investment funds that are assessed by the Manager 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 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 agreed by CCLA. Full details of how these investment restrictions are implemented, and how they are monitored by CCLA, are set out in our values-based screening policy which is available at www.ccla.co.uk/about-us/policies-and-reports.

Recognising the importance of restrictions to Unitholders the Manager will disclose the percentage of the MSCI World Index that is restricted from investment by the Fund.

Controls and risk management

The Board receives and considers regular reports from the Manager. Ad hoc reports and information are supplied to the Board as required. 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 period, the Board, assisted by the Manager, reviewed the Fund's systems of internal controls and risk reporting.

Possible Future Developments

The COIF Board, in conjunction with the Manager, have been considering the advantages and disadvantages of moving from a Common Investment Fund (CIF), the current arrangement as explained on Page 3 of this Annual Report, to a Charities Authorised Investment Fund (CAIF), a new investment vehicle which has specifically been designed by the FCA for the charity sector, to which the assets and liabilities of this entity could be transferred. The Board notes in this regard that many fund managers operating in the UK Charities sector have already made this change.

REPORT OF THE BOARD**for the year ended 31 December 2024**

A formal decision has not been made by the Board to transition existing assets from a CIF to a CAIF so nothing, as yet, has been communicated to unitholders. However, the transition is expected to happen in 2026. On completion of the transfer, the COIF Charities Short Duration Bond Fund would cease operations and be wound up, with the investors' existing holdings in the existing CIF being replaced with their equivalent in the new CAIF. The Board therefore concluded that the COIF Charities Short Duration Bond Fund's financial statements are to be prepared on a basis other than going concern.

The Board would like to stress that any costs associated with a transition are expected to be rigorously contained and that the Board will work with the Manager to ensure this occurs in practice.

N Morecroft
Chair
17 June 2025

REPORT OF THE INVESTMENT MANAGER

for the year ended 31 December 2024

Strategy

The Fund aims to generate a total return (income plus capital growth) of cash (represented by the Sterling Overnight Index Average) plus 1.75% per year (after fees and expenses are deducted), when measured over a rolling three-year period.

The Fund will invest in a range of fixed interest and variable-rate debt securities (also known as bonds) and other debt-related instruments issued in a range of currencies by companies (known as corporate bonds) and governments, including loans, inflation-linked securities, money-market instruments, and asset-backed or other securitised products (financial instruments backed by assets that generate an income, for example, mortgages or student loans).

The Fund focuses on generating returns from credit risk, meaning that the manager aims to identify individual bonds that will deliver high returns, relative to the level of risk associated with a particular borrower at the corporate level. Conversely, the Fund has limited appetite for interest rate risk ('duration'), The Fund's duration measures the sensitivity of its value to a change in interest rates. (The lower the duration the less impact a change in interest rates will have on the Fund's value). For that reason, we manage the Fund to ensure that its duration is less than 3.5 years. The Fund avoids currency risk.

Annualised total capital and income return

	1 year %	5 years % p.a.	10 years % p.a.
To 31 December 2024			

Performance against benchmark (after expenses)

COIF Charities Short Duration Bond Fund

Income Units*	6.00	0.99	2.36
Accumulation Units*	6.01	0.99	2.37
Target Benchmark [#]	6.88	1.09	2.69
Consumer Price Index (CPI)	2.57	4.56	3.08

[#] Target Benchmark – From 27.07.22 SONIA + 1.75%. From 01.01.16 iBoxx £ Gilt 50% & iBoxx £ Non Gilt 50%. To 31.12.15 BarCap £ Gilt 50% & £ Agg 100mm Non Gilt 50%. To 31.12.12 BarCap £ Gilt 80% & £ Agg 100mm Non Gilt 20%.

* Mid to mid plus income re-invested.

Source: CCLA, Bloomberg & HSBC.

REPORT OF THE INVESTMENT MANAGER for the year ended 31 December 2024

The Fund may invest in instruments that are either investment grade or non-investment grade (up to a maximum of 20% of the fund) as rated by a recognised credit rating agency that the investment manager or sub-investment manager has determined meets appropriate regulatory standards.

The Fund uses 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 follows a set of client-driven, values-based investment restrictions.

As of 31 December 2024, approximately 62% of the Fund's portfolio was in corporate bonds, predominantly investment grade but with a smaller allocation to high-yield bonds, while 30% was in government bonds (principally US Treasuries but also UK and other government bonds). The remainder was in cash or derivatives. The portfolio's modified duration, a measure of its exposure to interest rate risk, was 1.82 years.

Performance

Over the period under review, the Fund returned 6.00%, net of expenses, compared with the target benchmark's return of 6.90%.

The Fund is actively managed, and it is common for performance to be either above or below that of the benchmark over any given reporting period. During 2024, the fund delivered a return lower than that of its SONIA + 1.75% benchmark. The fund's underperformance

was primarily attributable to overnight cash outperforming both short-dated government and corporate bonds over the year, combined with the fund's longer average maturity relative to its SONIA (overnight) index benchmark. In absolute terms, for most of the year, the fund's predominant weighting in corporate bonds was the largest contributor to its performance, led by positions in the bonds of Dutch telecoms firm KPN. The fund's significant position in US government bonds ('US Treasuries') also boosted performance. The weaker performance of bonds of consumer electronics firm Apple weighed somewhat on returns, as did those of health care companies Grifols, GSK and HCA. However, during the final months of the year, prices for many bonds fell because investors scaled back their expectations of how much they expect central banks to cut interest rates in 2025. This changed outlook affected prices for long-dated government bonds the most. At year end the weighted average gross redemption yield (yield to maturity) of the securities in the Fund was 5.39%. The gross redemption yield indicates what the total return would be if the Fund's investments were held to maturity, i.e. the aggregate of gross interest received and capital gain or loss at redemption, annualised.

Market review

At the start of 2024, many observers took into account that one or more major economies might fall into recessions during the year. Instead, central banks delivered 'soft landings', reducing inflation without triggering recessions.

REPORT OF THE INVESTMENT MANAGER

for the year ended 31 December 2024

At the start of the year, policy rates in most developed markets were at the peaks to which central banks had raised them to snuff out inflation. Inflation was falling in most countries, so investors were expecting central banks to start cutting rates.

Despite its downward trend, however, inflation didn't settle at central banks' target rates. As a result, central banks cut interest rates more cautiously during 2024 than investors had originally expected.

In the UK, for example, consumer price (CPI) inflation fell from 4%, year on year, in January 2024 to 2% in May, the Bank of England's (BoE's) target. The BoE cut interest rates by 0.25% in August 2024, but warned that inflation 'was likely to rise temporarily'. The Bank's second and final rate cut of the year, in November, came with a warning that it would not 'cut interest rates too quickly or too much'. As the Bank had predicted, inflation rebounded to 2.6% in November and 2.5% in December, year on year.

Meanwhile, UK government bond yields rose during 2024, i.e. bond prices fell, despite the BoE's two rate cuts. That unusual combination – falling policy rates and rising bond yields – may have reflected concerns about the new government's October budget. Or it may have been investors rowing back their exaggerated expectations of fast and deep rate cuts.

Within the bond universe, long-dated UK government bond (gilt) yields rose more than short-dated gilt yields. As a result, the much talked about 'inverted yield curve' (with short-dated bond yields, untypically, higher than long-dated bond yields) dis-inverted

Similar scenarios played out in the US and Eurozone.

In the US, personal consumption expenditure (PCE) inflation fell from 3.1% in January, year on year, to 2.6% in June, before rising to 2.8% in December. The Federal Reserve (Fed) cut interest rates by a larger-than-expected 0.5% and another 0.25% in both November and December. But the Fed's target rate for PCE inflation is 2%. So, in December, its rate setters reduced their forecast rate cuts for 2025, from 1% of cuts to just 0.5%.

Despite the Fed's rate cuts, yields on US Treasuries rose in 2024. That move was most pronounced in December 2024, when the Fed forecast a slower pace of rate cuts for 2025 than it had forecast in September. And as in the UK, the US Treasury yield curve went back to its customary, upward-sloping shape, with long-dated bond yields higher than short-dated ones.

REPORT OF THE INVESTMENT MANAGER for the year ended 31 December 2024

In the Eurozone, inflation fell from 2.8% in January, year on year, to 1.7% in September, before rebounding to 2.4% in December. The European Central Bank (ECB) cut interest rates four times in 2024, by 1.00% in total. Short-dated (two-year) German Bund yields fell somewhat over the year, but long-dated (10-year) yields rose, leading the yield curve to dis-invert here as well.

Remarkably, the government bonds of many so-called ‘peripheral’ Eurozone countries outperformed those of core Eurozone nations. For example, Greek 10-year government bonds started 2024 yielding around 1.60% more than French 10-year government bonds, but both ended the year at about the same yield (3.20%). Corporate bonds performed well in 2024, relative to government bonds. That was due to, on the one hand, strong corporate fundamentals and, on the other, modest volumes of corporate bond issuance, relative to investor demand. Corporate spreads (i.e. the extra yield that investors pay on corporate bonds) over government bonds narrowed to some of their lowest levels in 15 years. Bonds that have credit ratings below investment-grade level (‘high-yield bonds’) performed particularly well.

Outlook

The ‘soft landing’ scenario, in which central banks reduce inflation without triggering recessions, is now widely accepted as the most likely outcome of the current economic cycle. But other risks remain, such as uncertain growth, higher deficits, geopolitics and interest rates. Of those, our focus has turned from inflation towards growth. Growth is key to our outlook but, globally, continues to slow.

Despite slower growth, central banks are firmly in easing mode, which is supportive for fixed income assets. And market factors continue to be supportive, too: investor inflows are slowing, but they are, so far in 2025, absorbing the moderate level of bond issuance well.

Yields remain attractive, but we continue to favour high-quality bonds, rated investment-grade. As interest rate volatility continues to normalise, we expect the higher quality part of the credit market to outperform, so we only have selective exposure to credits below investment-grade. We continue to be positioned in defensive sectors.

In the UK, the Chancellor’s Spring Forecast will take place on 26 March. This event will include an update by the Office of Budget Responsibility (OBR) but is not intended for tax announcements. The government will do everything it can to avoid breaching its fiscal rules. So, if yields rise again, it is likely to prefer spending cuts over more tax hikes.

REPORT OF THE INVESTMENT MANAGER for the year ended 31 December 2024

Climate-related financial disclosures

CCLA recognises that the investments within the fund have an impact on the health of the climate. Equally, climate change could influence the performance of investments in the fund 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 fund is exposed to climate-related risks.

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

C Ryland
Head of Investment
CCLA Investment Management Limited
17 June 2025

REPORT OF THE INVESTMENT MANAGER

for the year ended 31 December 2024

Top ten changes in portfolio composition

	Cost £'000		Proceeds £'000
Purchases:		Sales:	
US Treasury 0% 2025	33,524	US Treasury 0.25% 2024	39,174
US Treasury 0% 2025	21,614	US Treasury 0% 2024	39,117
US Treasury 0% 2025	2,349	UK Treasury 1% 2024	2,396
Siemens Financieringsmaatschappij		Atlas Funding 2021-1 FRN 2058	2,212
1.7% 2028	1,763	Koninklijke 5.75% 2029	1,463
UK Treasury 5% 2025	1,454	US Treasury 0% 2024	991
CNH Industrial 3.85% 2027	1,299	Électricité de France 6% VRN Perpetual	900
HP 3% 2027	1,222	US Treasury 0.375% 2024	778
Banco 1.625% 2025	1,207	US Treasury 0% 2024	753
Koninklijke 3.875% 2036	1,191	Ford Motor Credit 6.86% 2026	746
Mondi Finance 1.625% 2026	1,149		

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 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. They are realisable only on each daily dealing day only.

The gross redemption yield is an estimate of total return over the long-term. The Fund's gross dividend yield and gross redemption yield are not guaranteed and will change over time. When the Fund's distribution yield is higher than the gross redemption yield, some revenue is being paid at the expense of capital.

REPORT OF THE DEPOSITARY

for the year ended 31 December 2024

Having carried out such procedures as we consider necessary to discharge our responsibilities as Depositary of the Fund, it is our opinion, based on the information available to us and the explanations provided, that in all material respects the Fund, acting through the AIFM has been managed in accordance with the rules in the Sourcebook, the Scheme Particulars of the Fund and as required by the AIFMD.

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
17 June 2025

INDEPENDENT AUDITOR'S REPORT

to the Board of COIF Charities Short Duration Bond Fund

Report on the audit of the financial statements*Opinion*

In our opinion the financial statements of The COIF Charities Short Duration Bond Fund ('the Fund'):

- give a true and fair view of the financial position of the Fund as at 31 December 2024 and of the net revenue and the net capital gains on the property of the Fund for the year ended 31 December 2024;
- 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; and
- have been prepared in accordance with the requirements of the Charities Act 2011 and Alternative Investment Fund Managers Directive (AIFMD).

We have audited the financial statements which comprise:

- the statement of total return;
- the statement of change in net assets attributable to unitholders;
- the balance sheet;
- the distribution tables; and
- the related notes 1 to 18.

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), and the Charities Act 2011.

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 Fund 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

to the Board of COIF Charities Short Duration Bond Fund

Emphasis of matter – Financial statements prepared other than on a going concern basis

We draw attention to note 1a in the financial statements, which indicates that the financial statements have been prepared on a basis other than that of a going concern. Our opinion is not modified in respect of this matter.

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 Board is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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 Board and Manager

As explained more fully in the Statement of Board, Trustee, Depositary and Manager Responsibilities, the Manager 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 Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Fund'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 Manager either intends to liquidate the fund 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.

INDEPENDENT AUDITOR'S REPORT

to the Board of COIF Charities Short Duration Bond Fund

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

We obtained an understanding of the legal and regulatory frameworks that the Fund 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 relevant tax legislation; and

- do not have a direct effect on the financial statements but compliance with which may be fundamental to the Fund's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team, including relevant internal specialists such as IT specialists and Financial instrument 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.

As a result of performing the above, we identified the greatest potential for fraud in the valuation and existence of investments due to its significance to the net asset values of the fund. In response we have: involved our financial instruments specialists to assess the applied valuation methodologies; agreed investment holdings to independent confirmations; and agreed investment valuations to reliable independent sources.

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.

INDEPENDENT AUDITOR'S REPORT

to the Board of COIF Charities Short Duration Bond Fund

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 and reviewing correspondence with the Charity Commission.

Report on other legal and regulatory requirements

Matters on which we are required to report by exception

Under the Charities (Accounts and Reports) Regulations 2008 we are required to report in respect of the following matters if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Board's report; or
- sufficient accounting records have not been kept; or

- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the Fund's Board, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Fund's Board 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 Fund and the Fund's Board as a body, for our audit work, for this report, or for the opinions we have formed.

Deloitte LLP
Statutory Auditor
Glasgow, United Kingdom
17 June 2025

Deloitte LLP is eligible for appointment as auditor for the charity by virtue of its eligibility for appointment as audit of a company under section 1212 of the Companies Act 2006.

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.



The Manager has classified the COIF Charities Short Duration Bond Fund as 3 out of 7, which is a medium-low risk class. This rates the potential losses from future performance at a medium-low level and poor market conditions are unlikely to 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 Recommended Holding Period of three to 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 daily 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

	Year to 31.12.2024 pence per Unit	Income Units Year to 31.12.2023 pence per Unit	Year to 31.12.2022 pence per Unit
Opening net asset value per Unit	121.92	115.89	132.53
Return before operating charges*	7.69	9.13	(13.04)
Operating charges	(0.37)	(0.35)	(0.38)
Return after operating charges*	7.32	8.78	(13.42)
Distributions on Income Units	(3.52)	(2.75)	(3.22)
Closing net asset value per Unit	125.72	121.92	115.89
* after direct transaction costs of:	0.02	—	—

Performance

Return after charges	6.00%	7.58%	(10.13%)
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Other information

Closing net asset value (£'000)	190,281	178,762	60,395
Closing number of Units	151,358,525	146,622,170	52,115,975
Operating charges**	0.30%	0.29%	0.31%
Direct transaction costs	0.02%	0.00%	0.00%

Prices (pence per Unit)

Highest Unit price	127.09	122.97	132.30
Lowest Unit price	121.85	116.02	112.42

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 year.

COMPARATIVE TABLE

Change in net assets per Unit

	Accumulation Units		
	Year to 31.12.2024 pence per Unit	Year to 31.12.2023 pence per Unit	Year to 31.12.2022 pence per Unit
Opening net asset value per Unit	902.09	837.92	932.60
Return before operating charges*	57.46	66.71	(91.95)
Operating charges	(2.80)	(2.54)	(2.73)
Return after operating charges*	54.66	64.17	(94.68)
Distributions on Accumulation Units	(25.98)	(19.07)	(24.47)
Retained distributions on Accumulation Units	25.98	19.07	24.47
Closing net asset value per Unit	956.75	902.09	837.92
* after direct transaction costs of:	0.15	0.03	0.01

Performance

Return after charges	6.06%	7.66%	(10.15%)
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Other information

Closing net asset value (£'000)	18,953	17,915	13,038
Closing number of Units	1,980,938	1,985,875	1,555,917
Operating charges**	0.30%	0.29%	0.31%
Direct transaction costs	0.02%	0.00%	0.00%

Prices (pence per Unit)

Highest Unit price	959.39	905.03	931.03
Lowest Unit price	901.62	838.87	807.66

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 year.

OPERATING CHARGES ANALYSIS

for the year ended 31 December 2024

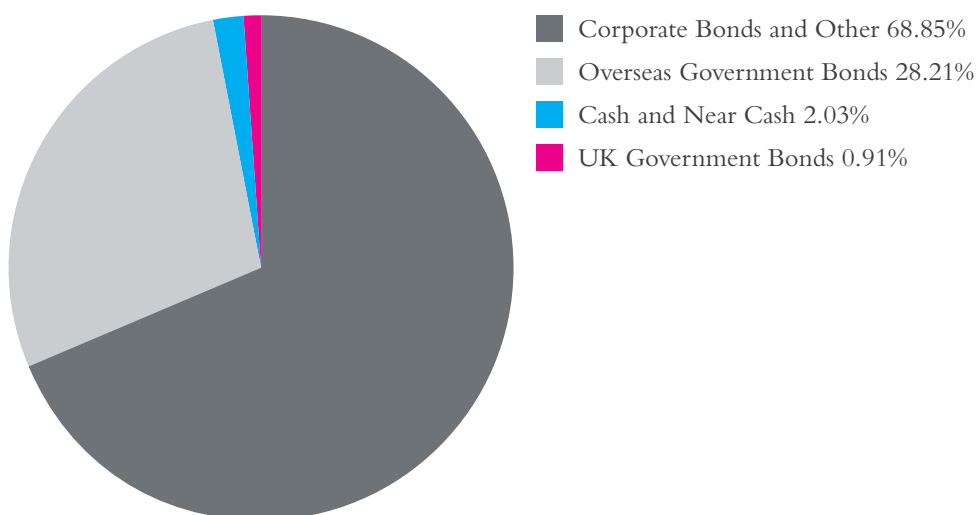
The table below analyses expenses in note 4 to the financial statements. These expenses also represent the total operating charges, which are shown below as a percentage of average net assets of the Fund.

	31.12.2024 %	31.12.2023 %
Manager's annual management charge including VAT	0.26	0.26
Safe custody fees and depositary fee	0.02	0.01
Other expenses	0.02	0.02
Total operating charges	0.30	0.29

PORTFOLIO ANALYSIS

at 31 December 2024

Portfolio Allocation



By term to maturity

Period	% Fund
0-5 years	69.5
5-10 years	24.2
10-15 years	2.04
Over 15 years	4.19
Duration (modified)	1.82 yrs
Ave term to maturity	7.59 yrs

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

* Includes investments in derivatives.

PORTFOLIO STATEMENT

at 31 December 2024

	Holding	Fair value £'000	% of total net assets
Government Bonds – 28.65% (31.12.2023 – 41.02%)			
New Zealand Government Bond 2.75% 2025	NZD750,000	334	0.16
UK Treasury 5% 2025	£1,450,000	1,451	0.69
US Treasury 0% 2025	\$3,000,000	2,384	1.14
US Treasury 0% 2025	\$42,946,000	34,096	16.30
US Treasury 0% 2025	\$27,400,000	21,683	10.36
Non-Government Bonds – 67.97% (31.12.2023 – 55.38%)			
AbbVie 4.55% 2035	\$1,500,000	1,128	0.54
ABN AMRO Bank 4.375% VRN Perpetual	€200,000	165	0.08
ABN AMRO Bank 4.75% VRN Perpetual	€700,000	571	0.27
Air Lease 3.7% 2030	€600,000	503	0.24
Alcoa Nederland Holding 4.125% 2029	\$600,000	447	0.21
Allianz Finance II 0.5% 2031	€500,000	361	0.17
Ally Financial 4.7% VRN perpetual	\$220,000	154	0.07
Alpek SAB de CV 3.25% 2031	\$587,000	395	0.19
Alpha Bank 2.5% VRN 2028	€400,000	329	0.16
América Móvil 5% 2026	£800,000	800	0.38
American Express 5.625% VRN 2034	\$143,000	115	0.06
American Medical Systems Europe 1.875% 2034	€348,000	255	0.12
Anglo American Capital 2.625% 2030	\$247,000	171	0.08
Anglo American Capital 2.875% 2031	\$853,000	592	0.28
Apple 2.65% 2051	\$1,700,000	839	0.40
Aptiv 3.1% 2051	\$725,000	335	0.16
Arcelik 3% 2026	€850,000	693	0.33
ArcelorMittal 3.5% 2031	€100,000	81	0.04
Ardagh Metal Packaging Finance 3% 2029	€200,000	141	0.07
Ashland 3.375% 2031	\$570,000	388	0.19
Asmodee Group 5.75% 2029	€100,000	85	0.04
Assicurazioni Generali 1.713% 2032	€550,000	398	0.19
AstraZeneca 2.125% 2050	\$500,000	217	0.10
Australia & New Zealand Banking 0.75% 2026	€600,000	479	0.23
Auto ABS Italian Stella Loans FRN 2039	€578,000	485	0.23
Auto ABS Italian Stella Loans FRN 2039	€300,000	257	0.12
AutoFlorence 3 FRN 2046	€102,000	68	0.03
AutoFlorence 3 FRN 2046	€117,000	79	0.04
Aviva 6.875% VRN Perpetual	£200,000	198	0.09

PORTFOLIO STATEMENT

at 31 December 2024

	Holding	Fair value £'000	% of total net assets
AXA 3.625% 2033	€500,000	430	0.21
AXA 6.375%VRN perpetual	€349,000	311	0.15
Ball Corporation 2.875% 2030	\$950,000	649	0.31
Banco 1.625% 2025	€1,700,000	1,402	0.67
Banco 4.875%VRN 2030	€300,000	261	0.12
Banco BPM 2.875%VRN 2031	€100,000	82	0.04
Banco BTG Pactual SACayman Islan 2.75% 2026	\$500,000	385	0.18
Banco BTG Pactual SACayman Island 4.5% 2025	\$200,000	159	0.08
Banco Mercantil del Norte 6.625%VRN Perpetual	\$400,000	287	0.14
Banco Santander 1.722%VRN 2027	\$400,000	302	0.14
Banco Santander 5%VRN 2034	€100,000	86	0.04
Banco Santander SA 7%VRN Perp	€600,000	525	0.25
Bank of Cyprus 2.5%VRN 2027	€250,000	204	0.10
Bank of Ireland 1.375%VRN 2031	€475,000	381	0.18
Barclays 4.375%VRN Perpetual	\$200,000	144	0.07
Barclays 8.5%VRN perpetual	£494,000	511	0.24
Barclays Bank 3.75%VRN 2030	£500,000	491	0.23
Bath & Body Works 6.875% 2035	\$500,000	409	0.20
Bath & Body Works 7.6% 2037	\$73,000	59	0.03
BAWAG Group 6.75%VRN 2034	€700,000	630	0.30
Berry Global 1% 2025	€1,220,000	1,006	0.48
Berry Global 1.5% 2027	€1,000,000	800	0.38
Berry Global 5.65% 2034	\$38,000	30	0.01
Bharti Airtel 4.375% 2025	\$1,850,000	1,471	0.70
BM European Value Retail 6.5% 2031	£522,000	518	0.25
BNP Paribas 2%VRN 2031	£500,000	475	0.23
British Telecommunications 4.875%VRN 2081	\$200,000	145	0.07
Caisse Nationale de Reassurance 0.75% 2028	€500,000	378	0.18
Caisse Nationale de Reassurance 6.5%VRN Perpetual	€300,000	253	0.12
Caixa Geral de Depositos 0.375%VRN 2027	€600,000	475	0.23
CaixaBank 4.375%VRN 2036	€300,000	252	0.12
CaixaBank 5.875%VRN Perpetual	€600,000	510	0.24
CANPACK SA Eastern PA Land 2.375% 2027	€250,000	201	0.10
CCO Holdings 4.25% 2031	\$625,000	435	0.21
CCO Holdings 4.25% 2034	\$200,000	130	0.06
Cellnex Telecom 0.75% 2031	€1,800,000	1,308	0.63
Cemex 3.125% 2026	€600,000	492	0.24
Cemex 3.875% 2031	\$200,000	139	0.07

PORTFOLIO STATEMENT

at 31 December 2024

	Holding	Fair value £'000	% of total net assets
Centene Corporation 2.625% 2031	\$1,500,000	986	0.47
CF Industries 4.5% 01/12/2026	\$450,000	356	0.17
CF Industries 4.95% 2043	\$625,000	440	0.21
Charter Communications Operating 6.15% 2026	\$500,000	407	0.19
Cigna Corp 2.375% 2031	\$1,000,000	677	0.32
Cisco Systems 2.5% 2026	\$1,500,000	1,162	0.56
Citigroup 4.125% 2028	\$300,000	233	0.11
Citigroup 5.15% 2026	£1,300,000	1,305	0.62
ClevelandCliffs 4.625% 2029	\$265,000	196	0.09
ClevelandCliffs 7.375% 2033	\$35,000	27	0.01
CNH Industrial 3.85% 2027	\$1,700,000	1,328	0.63
Comcast Corporation 1.5% 2031	\$1,100,000	715	0.34
Commerzbank 1.375%VRN 2031	€300,000	238	0.11
Commerzbank 1.75% 2025	£800,000	798	0.38
Cooperatieve Rabobank 3.25%VRN Perpetual	€1,000,000	800	0.38
Credit Agricole 5.75%VRN 2027	£700,000	706	0.34
Crown Americas 4.25% 2026	\$158,000	123	0.06
Crown European Holdings 2.875% 2026	€525,000	433	0.21
Crown European Holdings 4.5% 2030	€250,000	214	0.10
Crown European Holdings 4.75% 2029	€235,000	203	0.10
Dell International 4.35% 2030	\$1,170,000	906	0.43
Dell International 5.4% 2034	\$730,000	582	0.28
Deutsche Bank 4.5%VRN Perpetual	€200,000	157	0.08
Dow Chemical 1.875% 2040	€475,000	300	0.14
Dow Chemical 5.15% 2034	\$125,000	98	0.05
DS Smith 2.875% 2029	£671,000	606	0.29
Dutch Property Finance 2022-1 FRN 2059	€800,000	663	0.32
Elis 3.75% 2030	€300,000	252	0.12
Enel Finance International 0.875% 2034	€625,000	405	0.19
Engie 3.875% 2036	€200,000	168	0.08
Engie 5.625% 2034	\$600,000	479	0.23
Eurofins Scientific 0.875% 2031	€500,000	344	0.16
ExportImport Bank of India 2.25% 2031	\$400,000	269	0.13
Falabella 3.375% 2032	\$550,000	359	0.17
FCT Noria 2021 FRN 2049	€500,000	129	0.06
First Citizens BancShares 5.8009%VRN Perpetual	\$605,000	495	0.24
Ford Motor Credit 5.78% 2030	£758,000	747	0.36
Fresenius Medical Care 1.875% 2026	\$300,000	225	0.11

PORTFOLIO STATEMENT

at 31 December 2024

	Holding	Fair value £'000	% of total net assets
Fresenius Medical Care US Finance 2.375% 2031	\$925,000	608	0.29
Fresenius SE and Co KGaA 0.375% 2026	€800,000	636	0.30
GAMMA Sociedade de Titularizacao FRN 2034	€300,000	248	0.12
General Accident 7.875% Preference Shares	£490,000	588	0.28
General Motors Financial 2.35% 2031	\$1,200,000	803	0.38
Gilead Sciences 2.6% 2040	\$725,000	400	0.19
GlaxoSmithKline Capital 1.625% 2035	£850,000	609	0.29
Goldman Sachs 3.102% VRN 2033	\$500,000	344	0.16
Goodyear Europe 2.75% 2028	€200,000	156	0.07
Graphic Packaging International 3.75% 2030	\$226,000	163	0.08
Graphic Packaging International 1.512% 2026	\$125,000	95	0.05
Graphic Packaging International 2.625% 01/02/2029	€674,000	531	0.25
Greenko Power II 4.3% 2028	\$600,000	376	0.18
Gruenthal 4.625% 2031	€100,000	84	0.04
GUSAP III LP 4.25% 2030	\$600,000	446	0.21
Hanesbrands 4.875% 2026	\$300,000	236	0.11
HCA 2.375% 2031	\$1,525,000	1,010	0.48
HCA 3.5% 2051	\$400,000	207	0.10
HCA 5.375% 2025	\$125,000	100	0.05
Hermitage FRN 2033	£717,000	599	0.29
Hill FL 2023-1 FRN 2031	€1,100,000	687	0.33
Hops Hill No 2 FRN 2054	£300,000	306	0.15
HP 2.65% 2031	\$700,000	479	0.23
HP 3% 2027	\$1,650,000	1,261	0.60
HSBC Holdings 6.547% VRN 2034	\$500,000	411	0.20
Huntsman International 2.95% 2031	\$87,000	58	0.03
Huntsman International 4.25% 2025	€1,300,000	1,075	0.51
Huntsman International 5.7% 2034	\$13,000	10	0.00
Ibercaja Banco 2.75% VRN 2030	€200,000	164	0.08
Ibercaja Banco 4.375% VRN 2028	€100,000	85	0.04
Iberdrola Finanzas 4.871% VRN perpetual	€300,000	259	0.12
Iliad 1.875% 2028	€600,000	473	0.23
Iliad 4.25% 2029	€100,000	84	0.04
iliad 5.375% 2029	€100,000	87	0.04
iliad 5.375% 2031	€100,000	88	0.04
Informa 3.25% 2030	€290,000	239	0.11
Infrastrutture Wireless Italian 1.625% 2028	€670,000	523	0.25
Infrastrutture Wireless Italiane 1.75% 2031	€500,000	377	0.18

PORTFOLIO STATEMENT

at 31 December 2024

	Holding	Fair value £'000	% of total net assets
ING Groep 2% 2028	€500,000	399	0.19
ING Groep 4.25% VRN Perpetual	\$260,000	169	0.08
International Consolidated Airlines 3.75% 2029	€900,000	756	0.36
Intesa Sanpaolo SpA 1.625% 2025	€632,000	520	0.25
IQVIA 2.25% 2029	€1,500,000	1,183	0.57
Iron Mountain 4.5% 2031	\$603,000	440	0.21
Iron Mountain 5.25% 2030	\$164,000	125	0.06
Iron Mountain 6.25% 2033	\$133,000	106	0.05
JPMorgan Chase 4.625% VRN Perpetual	\$300,000	241	0.12
KB Home 4% 2031	\$250,000	176	0.08
KB Home 4.8% 2029	\$250,000	188	0.09
Klabin Austria 3.2% 2031	\$500,000	335	0.16
Koninklijke 3.875% 2036	€1,400,000	1,181	0.56
La Banque Postale 3% VRN Perpetual	€800,000	555	0.27
Lanebrook Mortgage Transaction FRN 2058	£376,000	374	0.18
Levi Strauss 3.5% 2031	\$800,000	559	0.27
Liberty Mutual Group 4.3% 2061	\$500,000	246	0.12
LKQ 5.75% 2028	\$896,000	727	0.35
LKQ Dutch Bond 4.125% 2031	€328,000	277	0.13
LKQ European Holdings 4.125% 2028	€100,000	83	0.04
Lloyds Bank 5.125% 2025	£1,700,000	1,699	0.81
Lloyds Banking Group 8.5% VRN perpetual	£600,000	620	0.30
Logicor Financing 1.5% 2026	€343,000	278	0.13
London Cards No 2 FRN 2034	£400,000	405	0.19
Lorca Telecom Bondco 4% 2027	€800,000	661	0.32
Macquarie Bank 3.052% VRN 2036	\$1,040,000	710	0.34
Macys Retail Holdings LLC 6.125% 2032	\$400,000	300	0.14
Marks Spencer 3.25% 2027	£1,300,000	1,252	0.60
Marks Spencer 3.75% 2026	£322,000	317	0.15
Matterhorn Telecom 4% 2027	€500,000	413	0.20
Medline Borrower LPMedline 6.25% 2029	\$75,000	61	0.03
Meritage Homes 3.875% 2029	\$830,000	619	0.30
Metropolitan Life Global Funding 0.625% 2027	£100,000	89	0.04
Metropolitan Life Global Funding 2.95% 2030	\$650,000	469	0.22
Millicom International Cellular 4.5% 2031	\$320,000	224	0.11
Millicom International Cellular 7.375% 2032	\$340,000	272	0.13
Molina Healthcare 6.25% 2033	\$266,000	210	0.10
Mondi Finance 1.625% 2026	€2,250,000	1,834	0.88

PORTFOLIO STATEMENT

at 31 December 2024

	Holding	Fair value £'000	% of total net assets
Mondi Finance 3.75% 2032	€590,000	500	0.24
Morgan Stanley 5.297% VRN 2037	\$1,021,000	791	0.38
Morgan Stanley 5.831% VRN 2035	\$63,000	51	0.02
Mortimer BTL 2021-1 FRN 2053	£1,500,000	961	0.46
Mortimer BTL 2023-1 FRN 2056	£600,000	613	0.29
Mortimer FRN 2056	£1,034,000	727	0.35
Mozart Debt Merger 3.875% 2029	\$300,000	222	0.11
Muenchener Rueckversicherun 5.875% VRN 2042	\$600,000	487	0.23
National Bank of Greece 5.875% VRN 2035	€300,000	268	0.13
National Grid 0.553% 2029	€800,000	588	0.28
NatWest Group 4.6% VRN Perpetual	\$200,000	136	0.07
Nemak SAB de CV 3.625% 2031	\$463,000	288	0.14
Netflix 3% 2025	€150,000	124	0.06
Netflix 3.625% 2030	€2,050,000	1,744	0.83
Netflix 5.875% 2025	\$150,000	120	0.06
Network i2i 5.65% VRN Perpetual	\$400,000	319	0.15
NewDay Funding FRN 2032	£496,000	504	0.24
Nexans 4.25% 2030	€1,300,000	1,099	0.53
Nexi SpA 0% 2028	€700,000	511	0.24
Next 3.625% 2028	£1,050,000	1,008	0.48
NGG Finance 2.125% VRN 2082	€251,000	199	0.10
NN Group 6.375% VRN perpetual	€223,000	193	0.09
Nokia 4.375% 2031	€1,320,000	1,140	0.54
Norsk Hydro 1.125% 2025	€557,000	458	0.22
Norsk Hydro 2% 2029	€575,000	454	0.22
Novelis Corporation 3.25% 2026	\$125,000	95	0.05
Novelis Corporation 3.875% 2031	\$400,000	275	0.13
Novo Banco 4.25% VRN 2028	€300,000	254	0.12
Nutrien 2.95% 2030	\$1,250,000	898	0.43
NXP Funding 2.7% 2025	\$1,250,000	991	0.47
Ocado Group 0.75% 2027	£200,000	169	0.08
Ocado Group 10.5% 2029	£179,000	181	0.09
OI European Group 4.75% 2030	\$600,000	427	0.20
Olympus Water US Holding Corporation 5.375% 2029	€400,000	316	0.15
OneMain Finance Corporation 3.875% 2028	\$200,000	147	0.07
Optics Bidco 2.375% 2027	€200,000	160	0.08
Orbia Advance Corporation 1.875% 2026	\$1,200,000	904	0.43
Orbia Advance Corporation 2.875% 2031	\$700,000	460	0.22

PORTFOLIO STATEMENT

at 31 December 2024

	Holding	Fair value £'000	% of total net assets
Orsted 1.5%VRN 2021	€690,000	479	0.23
Orsted 2.125% 2027	£690,000	647	0.31
PCL FundingVIII FRN 2028	£100,000	102	0.05
Pension Insurance 3.625% 2032	£420,000	346	0.17
Pension Insurance 6.875% 2034	£200,000	199	0.10
Pepper Iberia Consumer FRN 2033	€100,000	83	0.04
Phoenix Group Holdings 5.625% 2031	£600,000	578	0.28
Pony Compartment German Auto FRN 2032	€400,000	337	0.16
Pony SA Compartment German Auto FRN 2032	€500,000	418	0.20
Post Holdings 4.5% 2031	\$332,000	237	0.11
Post Holdings 6.25% 2032	\$18,000	14	0.01
ProGroup 5.125% 2029	€131,000	106	0.05
ProGroup 5.375% 2031	€100,000	81	0.04
Prudential 2.95%VRN 2033	\$470,000	341	0.16
PVH 4.125% 2029	€151,000	128	0.06
PVH 4.625% 2025	\$250,000	199	0.10
PVH Corporation 3.125% 2027	€600,000	495	0.24
QBE Insurance Group 2.5%VRN 2038	£250,000	222	0.11
Red & Black Auto Germany FRN 2031	€100,000	72	0.03
Red & Black Auto Germany FRN 2032	€700,000	568	0.27
Red & Black Auto Italy FRN 2034	€350,000	282	0.13
Red & Black Auto Italy FRN 2036	€100,000	83	0.04
Ren Finance 0.5% 2029	€300,000	222	0.11
Rexel 2.125% 2028	€300,000	236	0.11
Rothsay Life 3.375% 2026	£1,650,000	1,603	0.77
Royal KPN 5% 2026	£161,000	162	0.08
Sally Holdings 6.75% 2032	\$438,000	350	0.17
Santander UK 5.75% 2026	£1,850,000	1,869	0.89
Sappi Papier Holding 7.5% 2032	\$75,000	63	0.03
SC Germany Compartment Consume FRN 2037	€500,000	372	0.18
SC Germany Compartment Leasing FRN 2032	€700,000	583	0.28
SC Germany SA Compartment Leasing FRN 2032	€700,000	580	0.28
Schaeffler 4.5% 2030	€700,000	581	0.28
Seagate HDD Cayman 4.091% 2029	\$629,000	468	0.22
Seagate HDD Cayman 4.125% 2031	\$154,000	111	0.05
Sealed Air Corporation 4% 2027	\$1,280,000	975	0.47
Siemens Financieringsmaatschappij 1.7% 2028	\$2,500,000	1,824	0.87
SIG Combibloc PurchaseCo 2.125% 2025	€3,090,000	2,539	1.21

PORTFOLIO STATEMENT

at 31 December 2024

	Holding	Fair value £'000	% of total net assets
Silgan Holdings 2.25% 2028	€750,000	590	0.28
Sixt 3.75% 2029	€612,000	518	0.25
SK Hynix 1.5% 2026	\$300,000	231	0.11
SK Hynix 2.375% 2031	\$300,000	201	0.10
Smurfit Kappa Treasury 1% 2033	€1,350,000	924	0.44
Smurfit Kappa Treasury 1.50% 2027	€300,000	240	0.11
Societe Generale 5.375% VRN Perpetual	\$426,000	289	0.14
Societe Generale 8.5% VRN perpetual	\$650,000	518	0.25
Solvay 2.5% VRN Perpetual	€700,000	569	0.27
SPCM 3.375% 2030	\$600,000	420	0.20
SSE 4% VRN Perpetual	€639,000	530	0.25
Steel Dynamics 1.65% 2027	\$100,000	73	0.04
Steel Dynamics 2.4% 2025	\$400,000	316	0.15
Stellantis Finance US 2.691% 2031	\$1,000,000	655	0.31
Stora Enso 7.25% 2036	\$300,000	252	0.12
Summit Digital Infrastructure 2.875% 2031	\$1,100,000	741	0.35
Suzano Austria 3.125% 2032	\$1,000,000	661	0.32
Swiss RE Subordinated Finance 5.698% VRN 2035	\$200,000	159	0.08
TAGUS-Sociedade de Titularizacao FRN 2042	€100,000	83	0.04
Taylor Morrison Communities 5.125% 2030	\$800,000	611	0.29
TDC Net 5.186% 2029	€188,000	163	0.08
TDC Net 6.5% 2031	€700,000	643	0.31
Telefonica Europe 2.376% VRN Perpetual	€300,000	231	0.11
Telenet Finance Luxembourg 5.5% 2028	\$600,000	465	0.22
Telia 0.125% 2030	€310,000	217	0.10
Tenet Healthcare Corporation 4.375% 2030	\$450,000	334	0.16
TenneT Holding 2.374% VRN perpetual	€300,000	246	0.12
Terna Rete Elettrica Nazionale SpA 1% 2028	€400,000	310	0.15
TerraForm Power Operating 4.75% 2030	\$800,000	590	0.28
Thermo Fisher Scientific 2% 2031	\$145,000	96	0.05
TMobile USA 2.25% 2031	\$2,300,000	1,526	0.73
Turk Telekomunikasyon 7.375% 2029	\$300,000	244	0.12
UBS Group 4.375% VRN perpetual	\$550,000	377	0.18
UniCredit 2.731% VRN 2032	€625,000	507	0.24
Unilever 1.5% 2026	£1,225,000	1,169	0.56
UnipolSai Assicurazioni 3.875% 2028	€625,000	523	0.25
United Group 6.5% 2031	€300,000	253	0.12
UPC Broadband Finco 4.875% 2031	\$600,000	435	0.21

PORTFOLIO STATEMENT

at 31 December 2024

	Holding	Fair value £'000	% of total net assets
Valeo 4.5% 2030	€100,000	83	0.04
Veolia Environnement 0.664% 2031	€1,400,000	997	0.48
Verallia 1.875% 2031	€1,100,000	814	0.39
Verbund 0.9% 2041	€100,000	56	0.03
VF 0.625% 2032	€900,000	571	0.27
Virgin Media O2 Vendor Financing 7.875% 2032	£153,000	153	0.07
Virgin Media Secured Finance 4.25% 2030	£200,000	176	0.08
Vmed O2 UK Financing 4.5% 2031	£635,000	541	0.26
VMware 1.4% 2026	\$1,550,000	1,173	0.56
Volvo Car 4.75% 2030	€200,000	171	0.08
VZ Secured Financing 3.5% 2032	€495,000	379	0.18
VZ Vendor Financing II 2.875% 2029	€100,000	76	0.04
Western Digital 3.1% 2032	\$810,000	539	0.26
Western Digital Corporation 4.75% 2026	\$405,000	320	0.15
Wizz Air Finance 1% 2026	€150,000	120	0.06
WPAP Telecom 3.75% 2029	€200,000	163	0.08
Youni Italy FRN 2034	€457,000	300	0.14
ZF Europe Finance 4.75% 2029	€300,000	241	0.12
ZF Finance 2.25% 2028	€400,000	303	0.15
Zurich Finance Ireland Designat 3% VRN 2051	\$1,200,000	818	0.39

Derivatives – 0.37% (31.12.2023 – 0.72%)

Credit Default Swaps^ – 0.52% (31.12.2023 – 0.75%)

Morgan Stanley 1% 20/12/2025	2,600,000	14	0.01
Morgan Stanley 1% 20/12/2025	3,250,000	18	0.01
Morgan Stanley 1% 20/12/2027	980,000	17	0.01
Morgan Stanley 1% 20/12/2027	350,000	1	0.00
Morgan Stanley 1% 20/12/2027	1,650,000	26	0.01
Morgan Stanley 1% 20/12/2027	2,550,000	42	0.02
Morgan Stanley 1% 20/12/2027	250,000	(1)	(0.00)
Morgan Stanley 1% 20/12/2029	450,000	5	0.00
Morgan Stanley 1% 20/12/2029	500,000	(3)	(0.00)
Morgan Stanley 1% 20/12/2029	380,000	(27)	(0.01)
Morgan Stanley 1% 20/12/2029	350,000	(20)	(0.01)
Morgan Stanley 1% 20/12/2029	250,000	(8)	(0.00)
Morgan Stanley 1% 20/12/2029	6,000,000	108	0.05
Morgan Stanley 5% 20/12/2029	850,000	130	0.06

PORTFOLIO STATEMENT

at 31 December 2024

	Holding	Fair value £'000	% of total net assets
Morgan Stanley 5% 20/12/2029	220,000	36	0.02
Morgan Stanley 5% 20/12/2029	280,000	13	0.01
Morgan Stanley 5% 20/12/2029	112,000	4	0.00
Morgan Stanley 5% 20/12/2029	180,000	12	0.00
Morgan Stanley 5% 20/12/2029	430,000	6	0.00
Morgan Stanley 5% 20/12/2029	800,000	96	0.05
Morgan Stanley 5% 20/12/2029	180,000	26	0.01
Morgan Stanley 5% 20/12/2029	9,540,000	594	0.28
Morgan Stanley 5% 20/12/2029	250,000	(8)	(0.00)
Futures – 0.27% (31.12.2023 – (0.29%))			
CBT US 5 Years Note (CBT) March 2025	261	(197)	(0.09)
CBT US 10 Years Note (CBT) March 2025	(277)	431	0.21
CBT US Ultra Bond CBT March 2025	(69)	363	0.17
EUX Euro-Bund Future March 2025	(18)	51	0.02
ICF Long Gilt Future March 2025	26	(61)	(0.03)
SFE Australia 10 Year Bond Future March 2025	50	(18)	(0.01)
Options – 0.06% (31.12.2023 – 0.03%)			
iTraxx Europe Crossover 42 (4Y) Default 20/12/2029 GSILUK 3.25	19,000,000	41	0.02
iTraxx Europe Crossover 42 (4Y) Default 20/12/2029 GSILUK 3.75	(19,000,000)	(9)	(0.00)
iTraxx Europe Crossover 42 (4Y) Default 20/12/2029 MLILUK 3.25	20,000,000	132	0.06
iTraxx Europe Crossover 42 (4Y) Default 20/12/2029 MLILUK 3.5	22,200,000	19	0.01
iTraxx Europe Crossover 42 (4Y) Default 20/12/2029 MLILUK 3.75	(20,000,000)	(55)	(0.03)
iTraxx Europe Crossover 42 (4Y) Default 20/12/2029 MLILUK 4	(17,200,000)	(5)	(0.00)

PORTFOLIO STATEMENT

at 31 December 2024

	Holding	Fair value £'000	% of total net assets
Forward Foreign Exchange Contracts –			
(0.48%) (31.12.2023 – 0.23%)			
GBP Forward Currency Contract 19/03/2025	GBP 62,476,198		
EUR Forward Currency Contract 19/03/2025	(EUR 75,050,000)	167	0.08
GBP Forward Currency Contract 19/03/2025	GBP 118,864,030		
USD Forward Currency Contract 19/03/2025	(USD 150,300,000)	(1,217)	(0.58)
GBP Forward Currency Contract 19/03/2025	GBP 173,459		
NZD Forward Currency Contract 19/03/2025	(NZD 380,000)	3	0.00
USD Forward Currency Contract 19/03/2025	USD 4,700,000		
GBP Forward Currency Contract 19/03/2025	(GBP 3,701,338)	54	0.03
GBP Forward Currency Contract 19/03/2025	GBP 2,392,299		
USD Forward Currency Contract 19/03/2025	(USD 3,000,000)	(5)	(0.01)
USD Forward Currency Contract 19/03/2025	USD 1,000,000		
GBP Forward Currency Contract 19/03/2025	(GBP 798,954)	–	–
INVESTMENT ASSETS		202,928	96.99
NET OTHER ASSETS		6,306	3.01
TOTAL NET ASSETS		209,234	100.00

All investments, except Credit Default Swaps and Forward Foreign Exchange Contracts, are listed on recognised stock exchanges or traded on or under the rules of an eligible securities market.

The counterparty for the Credit Default Swaps is Morgan Stanley.

The counterparties for the Options Contracts are Goldman Sachs and Merrill Lynch.

The counterparty for the Futures Contracts is Morgan Stanley.

The counterparty for the Forward Foreign Exchange Contracts are RB London and State Street Bank.

STATEMENT OF TOTAL RETURN
for the year ended 31 December 2024

	<i>Note</i>	Year ended 31.12.2024		Year ended 31.12.2023	
		£'000	£'000	£'000	£'000
Income					
Net capital gains	2		1,495		3,952
Revenue	3	11,197		8,575	
Expenses	4	(617)		(499)	
Interest payable and similar charges		–		(31)	
Net revenue before taxation		10,580		8,045	
Taxation	5	(11)		(9)	
Net revenue after taxation			10,569		8,036
Total return before distributions			12,064		11,988
Distributions	6		(5,770)		(3,936)
Change in net assets attributable to Unitholders from investment activities			6,294		8,052

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

	Year ended 31.12.2024		Year ended 31.12.2023	
	£'000	£'000	£'000	£'000
Opening net assets attributable to Unitholders		196,677		73,433
Amounts receivable on issue of Units	9,715		121,966	
Amounts payable on cancellation of Units	(3,972)		(7,121)	
		5,743		114,845
Change in net assets attributable to Unitholders from investment activities		6,294		8,052
Retained distributions on Accumulation Units		520		347
Closing net assets attributable to Unitholders		209,234		196,677

The notes on pages 40 to 56 and the distribution tables on page 57 form part of these financial statements.

BALANCE SHEET
at 31 December 2024

	<i>Note</i>	31.12.2024		31.12.2023	
		£'000	£'000	£'000	£'000
ASSETS					
Fixed assets:					
Investments			204,562		192,403
Current assets:					
Debtors	7	2,211		1,559	
Cash and bank balances	8	7,327		6,226	
Total current assets			9,538		7,785
Total assets			214,100		200,188
LIABILITIES					
Investment liabilities			1,634		1,393
Creditors:					
Other creditors	10	75		65	
Bank overdraft	9	1,553		1,026	
Distribution payable on Income Units		1,604		1,027	
Total creditors			3,232		2,118
Total liabilities			4,866		3,511
Net assets attributable to Unitholders			209,234		196,677

The financial statements on pages 38 to 57 have been approved by the Board.

Approved on behalf of the Board
17 June 2025

N Morecroft, Chair

The notes on pages 40 to 56 and the distribution tables on page 57 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

1. Accounting policies

(a) Basis of preparation

The financial statements have been prepared on a basis other than that of a going concern, as a result of the COIF Board's decision to wind up the Fund. This basis includes, where applicable, writing the Fund's assets down to net realisable value. No provision has been made for the future cost of terminating the Fund unless such costs were committed at the reporting date. Further, appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, have been used in the preparation of these financial statements and applicable accounting standards have been followed.

The financial statements have been prepared 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 Alternative Investment 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.

The COIF Board, in conjunction with the Manager, have been considering the advantages and disadvantages of moving from a Common Investment Fund (CIF), the current arrangement as explained on Page 9 of this Annual Report, to a Charities Authorised Investment Fund (CAIF), a new investment vehicle which has specifically been designed by the FCA for the charity sector, to which the assets and liabilities of this entity could be transferred. The Board notes in this regard that many fund managers operating in the UK Charities sector have already made this change.

A formal decision has not been made by the Board to transition existing assets from a CIF to a CAIF so nothing, as yet, has been communicated to unitholders. However, the transition is expected to happen in 2026. On completion of the transfer, the COIF Charities Short Duration Bond Fund would cease operations and be wound up, with the investors' existing holdings in the existing CIF being replaced with their equivalent in the new CAIF. The Board therefore concluded that the COIF Charities Short Duration Bond Fund's financial statements are to be prepared on a basis other than that of a going concern.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

1. Accounting policies (*continued*)

(a) *Basis of preparation (continued)*

The Board would like to stress that any costs associated with a transition are expected to be rigorously contained and that the Board will work with the Manager to ensure this occurs in practice.

(b) *Revenue recognition*

Interest on government stocks, sterling eurobonds, other fixed interest stocks and credit default swaps are accrued on a daily basis. Interest on bank deposits are accrued on a daily basis and interest on deposits in the COIF Charities Deposit Fund are credited to revenue on receipt of cash.

Dividends on preference shares are accrued to revenue on the dates when the Units are first quoted ex-dividend, or otherwise, on receipt of cash.

Revenue on debt securities is recognised on the effective yield basis which takes into account the amortisation of any discounts or premiums arising on the purchase price, compared to the final maturity value, over the remaining life of the security. Accrued interest purchased or sold is excluded from the cost of the security and is recognised as revenue of the Fund.

Revenue is stated net of irrecoverable tax credits.

(c) *Expenses*

During the year, the annual management charge (AMC), paid to the Manager, was taken to the revenue of the Fund. The AMC is based on a fixed percentage of the value of the Fund and was 0.22% p.a. plus VAT during the year.

The Fund also received AMC rebates credited to revenue of the Fund for its deposits in the COIF Charities Deposit Fund, where the AMC is charged to revenue.

On a daily basis, the value of the Fund at the end of the previous day is taken to calculate the AMC due. The Manager charges an AMC for the provision of managing investments. From 1 October 2019, the Manager ceased charging the fee for ethical and stewardship services.

The depositary fee, audit fee, legal fees, safe custody fees and transaction charges, insurance fees and other fees are charged separately to the revenue of the Fund before distribution.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

1. Accounting policies (*continued*)

(d) *Distributions*

Distributions are paid quarterly. The Fund utilises an income reserve to even out the fluctuations in revenue which arise over the years (see note 11). Movements in the income reserve are therefore adjustments made to net revenue in determining the distributions.

A reconciliation of the net distribution to the net revenue of the Fund as reported in the statement of total return is shown in note 6.

In addition, if a distribution made in relation to any Income Units remain unclaimed over the subsequent three accounting periods for which distributions are made for those Units, the Manager may, at its discretion, re-invest that distribution. If a distribution made in relation to any Income Units remains unclaimed for a period of six years after it has become due, it may be forfeited and will revert to the Fund.

(e) *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.

Derivatives are valued at close of business on the last business day of the accounting period.

Exchange traded derivatives are priced at fair value, which is deemed to be the bid price.

Over-the-counter derivatives are priced at fair value using valuation models or data sourced from market data providers.

(f) *Foreign exchange*

Transactions in foreign currencies during the period are translated into Sterling (the functional currency of the Fund), 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.

The Fund may enter into forward currency contracts to protect the sterling value of the underlying portfolio of securities against the effect of possible adverse movements in foreign exchange rates. Fluctuations in the value of such forward currency contracts are recorded as unrealised gains or losses. Realised gains or losses include net gains or losses on transactions that have terminated by settlement or by the Fund entering into offsetting commitments.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

1. Accounting policies (*continued*)

(g) *Cash equivalents*

The Manager has treated some assets as Cash equivalents for the purposes of the Balance Sheet disclosure. Investments are regarded as Cash equivalents if they meet all of the following criteria:

- highly liquid investments held in 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.

2. Net capital gains

	31.12.2024 £'000	31.12.2023 £'000
The net capital gains during the year comprise:		
Realised gains/(losses) on non-derivative securities*	448	(656)
Unrealised gains/(losses) on non-derivative securities*	234	(2,602)
Unrealised (losses)/gains on forward currency contracts*	(172)	451
Realised gains on forward currency contracts*	2,195	7,301
Currency losses	(1,210)	(542)
	1,495	3,952

* Where net realised gains include gains/(losses) arising in previous years, a corresponding (loss)/gain is included in unrealised gains/(losses).

3. Revenue

	31.12.2024 £'000	31.12.2023 £'000
UK dividends	38	39
Interest on debt securities	9,875	7,856
Interest on derivative contracts	825	630
VAT refund	368	–
Bank interest	91	50
	11,197	8,575

* This amount represents the annual management charge rebates credited to the Fund's revenue. This for the Fund's deposit in the COIF Charities Deposit Fund where the annual management charge is charged to revenue.

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 Manager, associates of the Manager agents of either of them:		
Manager's annual management charge – see note 1(c)	541	453
	541	453
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Safe custody fees	28	4
Depositary fee	16	14
	44	18
Other expenses:		
Audit fee	16	15
Insurance fee	3	2
Other fees	13	11
	32	28
Total expenses	617	499

The above expenses include VAT where applicable.

Audit fee net of VAT is £13,500 (31.12.2023, £13,150).

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

5. Taxation

The Fund has charitable status and is exempt from UK Income and Capital Gains Tax pursuant to Part 11 Chapter 3 of the Corporation Tax Act 2010. Distributions are paid, and reinvested revenue credited gross to Unitholders on the basis that all recoverable UK taxation has been reclaimed.

Overseas withholding tax is deducted in full from overseas revenue. Recoverable withholding tax is credited to revenue, on receipt.

	31.12.2024 £'000	31.12.2023 £'000
Overseas taxation suffered in the year	11	9
Total taxation	11	9

6. Distributions

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

	31.12.2024 £'000	31.12.2023 £'000
31 March – interim distribution	1,274	1,061
30 June – interim distribution	1,479	1,055
30 September – interim distribution	1,328	1,093
31 December – final distribution	1,766	1,126
	5,847	4,335
Add: revenue deducted on cancellation of Units	33	23
Deduct: revenue received on issue of Units	(110)	(422)
Net distribution for the year	5,770	3,936
Net revenue after taxation for the year	10,569	8,036
Bank Interest charged to capital	–	(5)
Transfer from income reserve – see note 11	34	194
Amortisation under coupon accounting	(4,836)	(4,272)
Movement in Net Income Property	17	(17)
Income Deficit	(14)	–
Net distribution for the year	5,770	3,936

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

6. Distributions (*continued*)

Details of the distribution per Unit are set out in the distribution tables on page 57.

There were unclaimed distributions as at 31 December 2024 of £37,932 (31.12.2023, 27,768).

7. Debtors

	31.12.2024 £'000	31.12.2023 £'000
Accrued revenue	1,840	1,559
Amounts receivable on creation of Units	2	—
Prepayments	1	—
VAT recoverable	368	—
	2,211	1,559

8. Cash equivalents, cash and bank balances

	31.12.2024 £'000	31.12.2023 £'000
Cash and bank balances	2,016	2,305
Amounts held at futures clearing houses	1,818	1,920
Swaps collateral	3,493	2,001
Cash and bank balances – cash at bank	7,327	6,226

9. Bank overdraft

	31.12.2024 £'000	31.12.2023 £'000
Amounts held at futures clearing houses	1,553	623
Swaps collateral	—	403
Bank overdraft	1,553	1,026

10. Other creditors

	31.12.2024 £'000	31.12.2023 £'000
Accrued expenses	72	65
Amount payable on cancellation of Units	3	—
	75	65

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

11. Income reserve

The income reserve, accumulated out of revenue, is used to smooth fluctuations in the revenue received in the Fund. The income reserve is included in the total value of the Fund and is attributable to Income Unitholders. The income reserve is distributable and is included within Cash and bank balances in the Balance Sheet.

	31.12.2024 £'000	31.12.2023 £'000
Income reserve at the start of the year	1,134	1,328
Transfer from income reserve	(34)	(194)
Income reserve at the end of the year	1,100	1,134

12. Financial instruments

Fair value

Securities held by the Fund are valued at bid-market value (see note 1(e)). Bid-market value is considered to be a fair representation of the amount repayable to Unitholders should they wish to sell their Units. Other financial assets and liabilities of the Fund are included in the balance sheet at their fair value.

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

Market price risk

This is an actively managed Fund which invests mainly in 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 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 Unit price from time to time, although there will generally be a positive correlation in the movement of the Unit price to the markets the Fund is invested in. The Fund seeks to minimise the risks by holding a diversified portfolio of investments in line with the Fund's investment objectives. Risk is monitored at both the asset allocation and stock selection levels by Directors of the Manager on a regular basis and also by the Board.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

12. Financial instruments (continued)

Market price risk (continued)

At 31 December 2024, if the price of the investments held by the Fund increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to Unitholders, and profit or loss, would increase or decrease respectively by approximately £10,146,000 (31.12.2023, £9,550,000).

Credit risk

The Fund's transactions in securities expose it to the risk that the counterparty will not deliver the investment for a purchase or the cash for a sale. To minimise this, the Fund only deals with an approved list of brokers maintained by the Manager. The corporate bond holdings in the Fund are also exposed to the risk of issuer default; however, we mitigate this risk by purchasing investment grade bonds.

Bond credit ratings

Rating category	31.12.2024		31.12.2023	
	£'000	% Fund	£'000	% Fund
Investment grade	161,926	77.39	173,367	88.15
Non investment grade	38,371	18.34	15,128	7.70
Not rated	1,856	0.89	1,081	0.55
Total investment in bonds	202,153	96.62	189,576	96.40

Liquidity risk

Financial instruments held by the Fund, excluding short-term debtors and creditors, are made up of sterling fixed interest securities and sterling cash deposits. These assets are generally liquid and enable the Fund to meet the payment of any redemption of Units that Unitholders may wish to make.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

12. Financial instruments (continued)

Currency risk

The Fund is exposed to fluctuations in foreign currencies as some of its assets and revenue are denominated in currencies other than sterling, the base currency of the Fund. The Fund may enter into forward currency contracts to protect the 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 sterling shortly after receipt.

At 31 December 2024, if the value of sterling increased or decreased by 1% against all currencies, with all other variables remaining constant, then the net assets attributable to Unitholders, and profit or loss, would decrease or increase respectively by approximately £1,806,000 (31 December 2023, £1,661,000).

The Fund held derivatives relating to forward currency contracts with a net value of £997,880 as at 31 December 2024 (31.12.2023, £450,379).

The total foreign currency exposure at 31 December was:

Currency	Monetary exposures £'000	31.12.2024 Non- monetary exposures £'000	Total £'000	Monetary exposures £'000	31.12.2023 Non- monetary exposures £'000	Total £'000
Australian dollar	75	(18)	57	14	173	187
Canadian dollar	28	–	28	10	–	10
Euro	1,547	60,857	62,404	616	42,527	43,143
Japanese yen	27	–	27	68	(36)	32
New Zealand dollar	11	337	348	7	359	366
US dollar	3,343	114,364	117,707	2,737	119,620	122,357
Total	5,031	175,540	180,571	3,452	162,643	166,095

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

12. Financial instruments (*continued*)

Derivatives

Derivative transactions may be used by the Fund for the purposes of meeting its investment objectives and also for hedging. In doing so the Manager may make use of a variety of derivative instruments in accordance with the Sourcebook. The use of derivatives for investment purposes means that the net asset value of the Fund may at times have high volatility, although derivatives will not be used with the intention of raising the risk profile of the Fund. Where derivatives are used for hedging this will not compromise the risk profile of the Fund. Use of derivatives will not knowingly contravene any relevant investment objective or limits.

The Manager has used exchange traded futures to hedge the value of those assets denominated in foreign currency.

The Manager has used forward foreign currency contracts to hedge the currencies which are physically owned during the year. The purpose of undertaking these contracts is to protect the portfolio as far as possible from a movement in the value of exchange rates.

At 31 December 2024, the value of the portfolio hedged back to base currency was 100.05% of the Net Asset Value of the Scheme Property.

Credit default swaps have been used to hedge the default risk of holding bonds during the year.

The derivative counterparties are shown at the bottom of the Portfolio of investments on page 37.

Counterparty exposure

At 31 December 2024, the Fund had the following counterparty exposure on open Forward Foreign Exchange Contracts:

RBC London	£56,892
State Street Bank	£166,783

At 31 December 2024, the Fund had the following counterparty exposure on Credit default swaps:

Morgan Stanley	£1,146,772
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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

12. Financial instruments (continued)

Counterparty exposure (continued)

At 31 December 2024, the Fund had the following counterparty exposure on Options contracts:

Goldman Sachs	£40,779
Merrill Lynch	£151,128

The economic exposure of future derivative contracts is equal to the market value.

The value of exposure and the related counterparty are disclosed in the Portfolio of investments.

Interest rate risk

The Fund invests in fixed and floating rate securities and cash deposits. The revenue may be affected by changes to interest rates relevant to particular securities or as a result of the Manager 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.

As at 31 December 2024, it is estimated that a 1% movement in interest rates would result in an opposite movement of £5,135,000 (31.12.2023, £5,801,026) in net assets attributable to Unitholders and profit or loss.

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
Sterling	12,704	17,740	1,474	31,918
Euro	17,920	43,110	1,483	62,513
Japanese yen	65	—	—	65
US dollar	10,541	106,367	2,245	119,153
Other	112	334	5	451
Total	41,342	167,551	5,207	214,100

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

12. Financial instruments (continued)

Interest rate risk (continued)

Currency	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
Sterling	1,515	—	1,740	3,255
Euro	—	—	109	109
Japanese yen	38	—	—	38
US dollar	—	—	1,446	1,446
Other	—	—	18	18
Total	1,553	—	3,313	4,866

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
Sterling	14,141	17,104	1,052	32,297
Euro	11,787	30,221	2,131	44,139
Japanese yen	68	—	—	68
US dollar	9,229	111,774	2,115	123,118
Other	29	362	175	566
Total	35,254	159,461	5,473	200,188

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

12. Financial instruments (continued)

Interest rate risk (continued)

Currency	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
Sterling	623	—	1,092	1,715
Euro	403	—	593	996
Japanese yen	—	—	36	36
US dollar	—	—	761	761
Other	—	—	3	3
Total	1,026	—	2,485	3,511

* 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.

13. Commitments and contingent liabilities

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

14. Board remuneration

The Board members receive no remuneration from the COIF Charity Funds.

15. Related party transactions

The Manager's annual management charge is paid to the Manager, a related party to the Fund. The amounts incurred in respect of these charges are disclosed in note 4. Please see note 1(c) for further information. An amount of £48,653 was due to the Manager at 31 December 2024 (31.12.2023, £44,148). There were no other transactions entered into with the Manager during the year (31.12.2023, £nil).

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

At 31 December 2024, COIF Charities Investment Fund held 34.46% (31.12.2023, 35.67%) and COIF Ethical Investment Fund held 20.49% (31.12.2023 21.20%) of the value of the Fund.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

16. Portfolio transaction costs

For the year ended 31 December 2024

The purchases and sales of securities incurred no direct transaction costs during the year.

The Fund has paid £33,850 as commission on purchases and sales of derivatives transactions for the year ended 31.12.2024.

The average portfolio dealing spread, as at 31 December 2024 was 0.24%.

Unlike shares, 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.

For the year ended 31 December 2023

The purchases and sales of securities incurred no direct transaction costs during the year.

The Fund has paid £5,875 as commission on purchases and sales of derivatives transactions for the year ended 31.12.2023.

The average portfolio dealing spread, as at 31 December 2023 was 0.33%.

Unlike shares, 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.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

17. Unitholders' funds – reconciliation of Units

	31.12.2024	
	Income Units	Accumulation Units
Opening number of Units at beginning of year	146,622,170	1,985,875
Units issued in year	7,367,872	72,796
Units cancelled in year	(2,631,517)	(77,733)
Closing number of Units at end of year	151,358,525	1,980,938

All Units carry the same rights.

18. 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.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

18. 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	1,625	202,937	–	204,562
Investment liabilities	(345)	(1,289)	–	(1,634)
	1,280	201,648	–	202,928

For the year ended 31 December 2023

Category	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investment assets	1,045	191,358	–	192,403
Investment liabilities	(981)	(412)	–	(1,393)
	64	190,946	–	191,010

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 Manager 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 derivatives, fair value is the price that would be required to close out the contract at the balance sheet date.

DISTRIBUTION TABLES

for the year ended 31 December 2024

Period ended	Date payable/paid		Dividends payable/paid pence per Unit	
	2024	2023	2024	2023
Income Units				
31 March	31 May	31 May	0.77	0.68
30 June	31 August	31 August	0.89	0.68
30 September	30 November	30 November	0.80	0.69
31 December	28 February	29 February	1.06	0.70
			3.52	2.75

Period ended	Revenue accumulated pence per Unit	
	2024	2023
Accumulation Units		
31 March	5.49	4.77
30 June	6.40	4.28
30 September	5.95	4.99
31 December	8.14	5.03
	25.98	19.07

The distributions for Income Units were paid in the same year, apart from the distribution declared on 31 December which is payable at the end of February in the subsequent year.

STATEMENT OF BOARD, TRUSTEE, DEPOSITARY 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, DEPOSITARY 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 ensure that instructions given to it by the Manager are carried out as to the exercise of rights (including voting rights) attached 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 2011 and to demonstrate that such compliance has been achieved.

STATEMENT OF BOARD, TRUSTEE, DEPOSITARY 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 Unit 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, DEPOSITARY 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, DEPOSITARY 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.

AIFMD DISCLOSURES

Manager Remuneration

The Manager has no employees, but delegates the performance of its services to employees of its parent company, CCLA Investment Management Limited.

Recharges for these services of CCLA Investment Management Limited to the Manager are levied in respect of CCLA Investment Management Limited's year ending on 31 March each year. The recharge for the year to 31 March 2024 was £36,649,000. A recharge of £35,420,000 was levied in the year to 31 March 2023.

The average number of full time equivalent staff of CCLA Investment Management Limited, including temporary staff, for the year ended 31 March 2024 was 186 (year ended 31 March 2023, 175).

During the year ended 31 December 2024 and the prior year, remuneration was paid to CCLA Investment Management Limited staff as shown below. Totals for staff whose actions have a material impact on the risk profile of the Fund ("identified staff") are shown separately.

	Year to 31 December 2024		
	Fixed	Variable	Total
	remuneration £'000	remuneration £'000	
Identified staff	1,096	1,857	2,953
Other staff	17,947	6,994	24,941
Total	19,043	8,851	27,894

	Year to 31 December 2022		
	Fixed	Variable	Total
	remuneration £'000	remuneration £'000	
Identified staff	1,035	1,415	2,450
Other staff	17,678	7,659	25,337
Total	18,713	9,074	27,787

Remuneration above is the total remuneration for CCLA Investment Management Limited; it is not possible to separate the element of that relating only to the Fund. The components of remuneration are appropriately balanced and do not create a conflict of interest for the Fund.

(Charity Registration No. 803610)

DIRECTORY

Board

N Morecroft, ASIP (Chair)
K Corrigan, FCCA
J Hobart, MA
C Ong, MBA – Retired 31 July 2024
K Shenton
A Richmond MA (Hons) ASIP
S Wiltshire

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:
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Telephone: 0207 489 6000
Client Service:
Freephone: 0800 022 3505
Email: clientservices@ccla.co.uk
www.ccla.co.uk

Transfer Agent

FNZ TA Services Limited
7th Floor, 2 Redman Place
London
E20 1JQ

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 (Head of Client Relationships & Distribution)

Non-Executive Directors of the Manager

J Bailie (Chair)
N Mcleod-Clarke
R Fuller – Appointed 1 April 2024

Fund Manager

(CCLA Investment Management Limited)

Company Secretary

M Mochalska
J Fox (retired)

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

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.



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

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

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