

COIF CHARITIES SHORT DURATION BOND FUND  
INTERIM REPORT AND  
UNAUDITED FINANCIAL STATEMENTS

Half year ended 30 June 2024

**CCLA**

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

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

**Disability Discrimination Act 1995**

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

## REPORT OF THE BOARD

for the half year ended 30 June 2024 (unaudited)

On behalf of the Board, I have pleasure in presenting the Interim Report and Unaudited 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. The Board,

**REPORT OF THE BOARD****for the half year ended 30 June 2024 (unaudited)**

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.

**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,

## REPORT OF THE BOARD

for the half year ended 30 June 2024 (unaudited)

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.
- 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.

**REPORT OF THE BOARD****for the half year ended 30 June 2024 (unaudited)**

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](http://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.

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.

**Sustainability approach**

The Fund is also managed in accordance with CCLA's responsible investment policy and takes a positive approach to stewardship as defined in the UK Stewardship Code for institutional investors. CCLA's response to this code is available on its website ([www.ccla.co.uk](http://www.ccla.co.uk)). CCLA is also a signatory to the United Nations backed

## REPORT OF THE BOARD

for the half year ended 30 June 2024 (unaudited)

Principles for Responsible Investment (PRI). The annual PRI assessment is available on CCLA's website.

### Values-Based Restrictions

The Fund is managed in accordance with an ethical investment exclusions policy.

A full list of restrictions can be found at on the Managers' website Short Duration Bond Policy | CCLA.

### 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 Interim 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 matter remains under active discussion and any recommendation to change designation will only be advised by the Board in consideration of the best interests of the existing unitholders. The Board notes in this regard that many fund managers operating in the UK Charities sector have already made this change.

In due course, should a formal decision be made by the Board to recommend that the existing assets should transition from a CIF to a CAIF, this will be communicated to unitholders, the reasoning of the Board will be laid out in detail and all Trustees will be asked to approve the proposal, probably during 2025. The timetable is still to be determined following the completion of Board due diligence, together with regulatory and Trustee approvals.

Should this be approved, 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. These events and circumstances therefore represent a material uncertainty which may cast significant doubt on the Fund's ability to continue as a going concern.

**REPORT OF THE BOARD****for the half year ended 30 June 2024 (unaudited)****Going concern**

Notwithstanding the material uncertainty explained above, the Board, having made appropriate enquiries and considered the ability of the Fund to meet its ongoing liabilities, has concluded that it remains appropriate to continue to prepare the financial statements on a going concern basis. In reaching this conclusion, the Board has considered that the proposal is contingent on investor consultation and Trustee approval and that the Fund remains a going concern in all other respects.

At this juncture, the Board would like to stress that any costs associated with a transition are expected to be de minimis and that the Board will work with the Manager to ensure this occurs in practice.

N Morecroft  
Chair  
3 October 2024

## REPORT OF THE INVESTMENT MANAGER for the half year ended 30 June 2024 (unaudited)

### Strategy

The Fund uses a wide range of fixed interest securities (bonds) and risk management techniques to pursue a target return of cash plus 1.75% p.a. (net of fees and expenses) over a rolling 3-year period. There is a focus on generating returns from credit risk, meaning that the manager aims to identify individual bonds which will deliver good returns relative to the level of risk associated with a particular borrower at the corporate level. Conversely there is limited appetite for interest rate risk ('duration'), which describes how a bond's returns are likely to be affected by general changes in interest rates. Currency risk is avoided.

As at 30 June 2024 approximately 81% of the portfolio was in corporate bonds, predominantly investment grade but with a smaller allocation to high yield bonds, while 40% was in overseas government bonds (principally US treasuries) and 1.5% in UK government bonds; the remainder was in cash and derivatives.

The portfolio duration, a measure of exposure to interest rate risk, was 1.8 years.

At 30 June 2024 the gross redemption yield (yield to maturity) was 5.4%. The gross redemption yield indicates what the total return would be if the fund's investments were held to maturity, being the aggregate of gross interest received and the capital gain or loss at redemption, annualised. The distribution yield, meanwhile, was 2.5%.

### Annualised total capital and income return

To 30 June 2024	6 months %	1 year %	5 years % p.a.	10 years % p.a.
<b>Performance against benchmark (after expenses)</b>				
<b>COIF Charities Short Duration Bond Fund</b>				
Income Units*	2.15	7.49	0.63	2.84
Accumulation Units*	2.15	7.49	0.64	2.84
Target Benchmark <sup>#</sup>	3.43	7.00	0.93	3.25
Consumer Price Index (CPI)	1.44	1.98	4.44	2.96

<sup>#</sup> 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 and HSBC.

## REPORT OF THE INVESTMENT MANAGER for the half year ended 30 June 2024 (unaudited)

### Performance

Over the period under review the Fund achieved a return after expenses of 2.2%. This compares with a return of 3.4% on the benchmark. 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.

For the Fund's holdings in individual corporate bonds the emphasis remains on high quality businesses whose progress is not dependent on wider economic growth. At the sector level, bonds issued by retail and automotive businesses were among the most positive contributors to the fund's performance relative to the benchmark, while healthcare fared less well. Although the fund has only limited exposure to market-level interest rate risk, the shift in expectations for the timing and pace of rate cuts put downward pressure on bond prices and hence was a negative for the fund's returns compared to the benchmark return, which is linked to cash interest rates. The policy of hedging against the effects of currency movement, also detracted from relative returns over the latest quarter.

### Market review

Bond markets in general slipped back over the period under review as expectations for the progress of interest rate reductions became less optimistic. Bond prices move inversely to yields, so the prospect of interest rates remaining 'higher for longer' means lower valuations for bond portfolios. This is especially true of the lowest-risk end of the market, government bonds, where price movement is driven almost entirely by changing interest rate expectations. The Bloomberg Barclays Gilts index for UK government bonds gave total returns of -2.9% over the first half of 2024 while the broad corporate bond sector did slightly better at -0.2%. In contrast the riskiest, 'sub-investment grade' part of the market as measured by the Bloomberg Barclays £ High Yield ex Financials index, provided positive returns of 3.9%. With its limited appetite for risk, the fund has little exposure to these high-yield or 'junk' bonds.

### Outlook

The peak of the interest rate cycle is widely assumed to be behind us now that consumer price inflation has largely returned to levels at or approaching official targets. Indeed one of the leading central banks, the ECB, had made a modest first reduction in its policy interest rate by the end of the period under review, as had Canada. However central bankers are wary of committing to policy easing moves in advance for fear of encouraging a resurgence in demand which, so long as the supply of labour remains tight by historical standards, would risk reigniting inflation.

## REPORT OF THE INVESTMENT MANAGER for the half year ended 30 June 2024 (unaudited)

Investors will therefore remain sensitive to emerging economic data and commentary from monetary policy makers. Although interest rates are expected to fall in due course, the pace and timing of these policy moves is uncertain and in any event we should not anticipate a return to the pre-pandemic conditions of very low inflation and interest rates.

For bond investors, an environment of relatively high yields, especially when the expectation is that yields will decline going forwards, presents some attractive opportunities. However the finances of some corporate bond issuers are likely to come under pressure, especially if borrowing rates remain 'higher for longer'. A selective approach focused on good quality issuers who are less dependent on strength in the general economic climate in order to prosper can be expected to benefit investors.

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

C Ryland  
Head of Investment  
CCLA Investment Management Limited  
3 October 2024

**REPORT OF THE INVESTMENT MANAGER**  
for the half year ended 30 June 2024 (unaudited)

**Top ten changes in portfolio composition**

	Cost £'000		Proceeds £'000
<b>Purchases:</b>		<b>Sales:</b>	
US Treasury 0% 2024	34,536	US Treasury 0.25% 2024	39,174
US Treasury 0.375% 2024	29,794	US Treasury 0% 2024	39,117
New Zealand Government Bond 3.5% 2033	2,139	UK Treasury 1% 2024	2,396
Siemens Financieringsmaatschappij 1.7% 2028	1,763	Atlas Funding 2021-1 FRN 2058	2,212
US Treasury 1.875% 2024	1,465	Koninklijke 5.75% 2029	1,463
UK Treasury 2.75% 2024	1,439	US Treasury 0.375% 2024	778
HP 3% 2027	1,222	Hops Hill No 1 FRN 2054	700
Koninklijke 3.875% 2036	1,191	PVH Corporation 3.625% 2024	688
Nokia 4.375% 2031	1,133	Volvo Car 2.125% 2024	684
Nexans 4.25% 2030	1,114	Telia 2.75%VRN 2083	596

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

**Risk warning**

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

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

## 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

	Income Units			
	Half year to 30.06.2024 pence per Unit	Year to 31.12.2023 pence per Unit	Year to 31.12.2022 pence per Unit	Year to 31.12.2021 pence per Unit
Opening net asset value per Unit	121.92	115.89	132.53	141.77
Return before operating charges*	3.08	9.13	(13.04)	(5.22)
Operating charges**	(0.19)	(0.35)	(0.38)	(0.42)
Return after operating charges*	2.89	8.78	(13.42)	(5.64)
Distributions on Income Units	(1.66)	(2.75)	(3.22)	(3.60)
Closing net asset value per Unit	123.15	121.92	115.89	132.53
* after direct transaction costs of:	–	–	–	–

## Performance

Return after charges	2.37%	7.58%	(10.13%)	(3.98%)
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## Other information

Closing net asset value (£'000)	186,599	178,762	60,395	65,897
Closing number of Units	151,523,696	146,622,170	52,115,975	49,724,190
Operating charges**	0.30%	0.29%	0.31%	0.31%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%

## Prices (pence per Unit)

Highest Unit price	124.35	122.97	132.30	142.76
Lowest Unit price	121.85	116.02	112.42	131.29

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

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

## COMPARATIVE TABLE

## Change in net assets per Unit

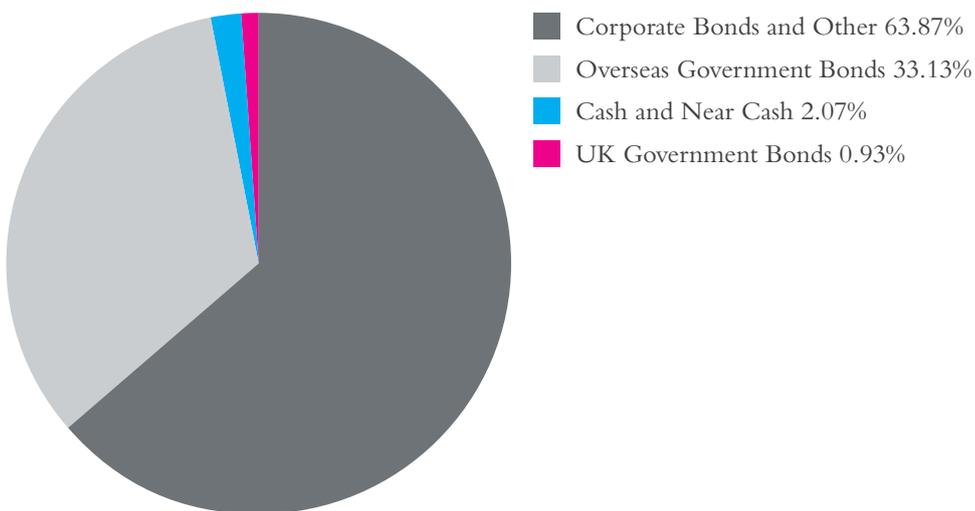
	Half year to 30.06.2024 pence per Unit	Accumulation Units		Year to 31.12.2021 pence per Unit
		Year to 31.12.2023 pence per Unit	Year to 31.12.2022 pence per Unit	
Opening net asset value per Unit	902.09	837.92	932.60	971.32
Return before operating charges*	22.81	66.71	(91.95)	(35.82)
Operating charges**	(1.39)	(2.54)	(2.73)	(2.90)
Return after operating charges*	21.42	64.17	(94.68)	(38.72)
Distributions on Accumulation Units	(11.89)	(19.07)	(24.47)	(26.72)
Retained distributions on Accumulation Units	11.89	19.07	24.47	26.72
Closing net asset value per Unit	923.51	902.09	837.92	932.60
* after direct transaction costs of:	0.02	0.03	0.01	–
<b>Performance</b>				
Return after charges	2.37%	7.66%	(10.15%)	(3.99%)
<b>Other information</b>				
Closing net asset value (£'000)	18,770	17,915	13,038	15,004
Closing number of Units	2,032,512	1,985,875	1,555,917	1,608,815
Operating charges**	0.30%	0.29%	0.31%	0.31%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
<b>Prices (pence per Unit)</b>				
Highest Unit price	925.85	905.03	931.03	978.10
Lowest Unit price	901.62	838.87	807.66	917.67

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

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

**PORTFOLIO ANALYSIS**  
at 30 June 2024 (unaudited)

**Portfolio Allocation**



**By term to maturity**

Period	% Fund
0-5 years	68.25
5-10 years	22.41
10-15 years	3.03
Over 15 years	6.31
Duration (modified)	1.81 yrs
Average term to maturity	10.23 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 30 June 2024 (unaudited)

	Holding	Fair value £'000	% of total net assets
<b>Government Bonds – 34.52% (31.12.2023 – 41.02%)</b>			
New Zealand Government Bond 2.75% 2025	NZD750,000	353	0.17
New Zealand Government Bond 3.5% 2033	NZD4,833,000	2,133	1.04
UK Treasury 2.75% 2024	£1,450,000	1,444	0.70
US Treasury 0% 2024	\$44,546,000	35,017	17.05
US Treasury 0.375% 2024	\$39,000,000	30,501	14.85
US Treasury 1.875% 2024	\$1,850,000	1,453	0.71
<b>Non-Government Bonds – 61.99 % (31.12.2023 – 55.38%)</b>			
AbbVie 4.55% 2035	\$1,500,000	1,131	0.55
ABN AMRO Bank 4.375% VRN Perpetual	€200,000	165	0.08
ABN AMRO Bank 4.75% VRN Perpetual	€500,000	396	0.19
Air Lease 3.7% 2030	€600,000	497	0.24
Alcoa Nederland Holding 4.125% 2029	\$600,000	440	0.21
Allianz Finance II 0.5% 2031	€500,000	354	0.17
Ally Financial 4.7% VRN Perpetual	\$220,000	139	0.07
Alpek SAB de CV 3.25% 2031	\$587,000	391	0.19
Alpha Bank 2.5% VRN 2028	€400,000	321	0.16
América Móvil 5% 2026	£800,000	796	0.39
American Express 5.625% VRN 2034	\$143,000	114	0.06
American Medical Systems Europe 1.875% 2034	€348,000	249	0.12
Anglo American Capital 2.625% 2030	\$247,000	167	0.08
Anglo American Capital 2.875% 2031	\$853,000	576	0.28
Apple 2.65% 2051	\$1,700,000	858	0.42
Aptiv 3.1% 2051	\$725,000	356	0.17
Arcelik 3% 2026	€850,000	694	0.34
Ardagh Metal Packaging Finance 3% 2029	€200,000	137	0.07
Ashland 3.375% 2031	\$570,000	379	0.18
Assicurazioni Generali 1.713% 2032	€550,000	384	0.19
AstraZeneca 2.125% 2050	\$500,000	226	0.11
Australia & New Zealand Banking 0.75% 2026	€600,000	479	0.23
Auto ABS Italian Stella Loans FRN 2039	€478,000	410	0.20
AutoFlorence 3 FRN 2046	€102,000	87	0.04
AutoFlorence 3 FRN 2046	€117,000	100	0.05
Aviva 6.875% VRN Perpetual	£200,000	189	0.09
AXA 3.625% 2033	€500,000	428	0.21
AXA 6.375% VRN Perpetual	€349,000	302	0.15
Ball Corporation 2.875% 2030	\$950,000	637	0.31

**PORTFOLIO STATEMENT**  
at 30 June 2024 (unaudited)

	Holding	Fair value £'000	% of total net assets
Banco 1.625% 2025	€1,300,000	1,084	0.53
Banco 4.875% VRN 2030	€150,000	130	0.06
Banco BPM 2.875% VRN 2031	€100,000	81	0.04
Banco BTG Pactual SACayman Island 2.75% 2026	\$500,000	376	0.18
Banco BTG Pactual SACayman Island 4.5% 2025	\$200,000	156	0.08
Banco Mercantil del Norte 6.625% VRN Perpetual	\$400,000	277	0.14
Banco Santander 1.722% VRN 2027	\$400,000	290	0.14
Banco Santander 5% VRN 2034	€100,000	86	0.04
Banco Santander SA 7% VRN Perpetual	€200,000	170	0.08
Bank of Cyprus 2.5% VRN 2027	€250,000	203	0.10
Bank of Ireland 1.375% VRN 2031	€475,000	380	0.19
Bank of Ireland Group 1% VRN 2025	€100,000	84	0.04
Barclays 4.375% VRN Perpetual	\$200,000	133	0.07
Barclays 8.5% VRN Perpetual	£294,000	293	0.14
Barclays Bank 3.75% VRN 2030	£500,000	482	0.24
Bath & Body Works 6.875% 2035	\$500,000	399	0.19
BAWAG Group 6.75% VRN 2034	€700,000	623	0.30
Berry Global 1% 2025	€1,220,000	1,013	0.49
Berry Global 1.5% 2027	€1,000,000	791	0.39
Berry Global 5.65% 2034	\$38,000	29	0.01
Bharti Airtel 4.375% 2025	\$1,850,000	1,447	0.70
BNP Paribas 2% VRN 2031	£500,000	464	0.23
BNP Paribas 4.625% VRN Perpetual	\$450,000	285	0.14
British Telecommunications 4.875% VRN 2081	\$200,000	142	0.07
Caisse Nationale de Reassurance 0.75% 2028	€500,000	372	0.18
Caixa Geral de Depositos 0.375% VRN 2027	€600,000	471	0.23
CaixaBank 3.625% VRN Perpetual	€400,000	283	0.14
CANPACK SA Eastern PA Land 2.375% 2027	€250,000	198	0.10
CCO Holdings 4.25% 2031	\$625,000	403	0.20
CCO Holdings 4.25% 2034	\$200,000	120	0.06
Cellnex Telecom 0.75% 2031	€1,800,000	1,250	0.61
Cemex 3.125% 2026	€600,000	499	0.24
Centene Corporation 2.625% 2031	\$1,500,000	972	0.47
CF Industries 4.5% 01/12/2026	\$450,000	347	0.17
CF Industries 4.95% 2043	\$625,000	437	0.21
Charter Communications Operating 6.15% 2026	\$500,000	399	0.19
Cigna Corp 2.375% 2031	\$1,000,000	666	0.32
Cisco Systems 2.5% 2026	\$1,500,000	1,126	0.55
Citigroup 4.125% 2028	\$300,000	228	0.11

**PORTFOLIO STATEMENT**  
at 30 June 2024 (unaudited)

	Holding	Fair value £'000	% of total net assets
Citigroup 5.15% 2026	£1,300,000	1,306	0.64
ClevelandCliffs 4.625% 2029	\$300,000	224	0.11
CNH Industrial 3.85% 2027	\$1,200,000	909	0.44
Comcast Corporation 1.5% 2031	\$1,100,000	701	0.34
Commerzbank 1.375% VRN 2031	€300,000	235	0.11
Commerzbank 1.75% 2025	£800,000	784	0.38
Cooperatieve Rabobank 3.25% VRN Perpetual	€1,000,000	781	0.38
Credit Agricole 5.75% VRN 2027	£700,000	702	0.34
Crown Americas 4.25% 2026	\$158,000	120	0.06
Crown European Holdings 2.875% 2026	€525,000	436	0.21
Crown European Holdings 4.75% 2029	€485,000	415	0.20
Dell International 5.4% 2034	\$730,000	572	0.28
Deutsche Bank 4.5% VRN Perpetual	€200,000	151	0.07
DNB Bank 4.875% VRN Perpetual	\$600,000	469	0.23
Dow Chemical 1.875% 2040	€475,000	300	0.15
Dow Chemical 5.15% 2034	\$125,000	97	0.05
Dowson 2021-2 FRN 2028	£400,000	401	0.20
DS Smith 2.875% 2029	£671,000	601	0.29
Electricite de France 3.625% 2025	\$100,000	77	0.04
Électricité de France 6% VRN Perpetual	£900,000	876	0.43
Elis 3.75% 2030	€200,000	167	0.08
Enel Finance International 0.875% 2034	€625,000	394	0.19
Engie 3.875% 2036	€200,000	167	0.08
Engie 5.625% 2034	\$600,000	473	0.23
Eurofins Scientific 0.875% 2031	€500,000	330	0.16
ExportImport Bank of India 2.25% 2031	\$400,000	262	0.13
Falabella 3.375% 2032	\$550,000	351	0.17
FCT Noria 2021 FRN 2049	€500,000	170	0.08
First Citizens BancShares 5.8009% VRN Perpetual	\$605,000	482	0.24
Ford Motor Credit 6.86% 2026	£980,000	1,002	0.49
Fresenius Medical Care 1.875% 2026	\$150,000	108	0.05
Fresenius Medical Care US Finance 2.375% 2031	\$925,000	582	0.28
Fresenius SE and Co KGaA 0.375% 2026	€800,000	632	0.31
General Accident 7.875% Preference Shares	£490,000	588	0.29
Gilead Sciences 2.6% 2040	\$725,000	399	0.19
GlaxoSmithKline Capital 1.625% 2035	£850,000	613	0.30
Goldman Sachs 3.102% VRN 2033	\$500,000	339	0.17
Goodyear Europe 2.75% 2028	€200,000	153	0.07
Graphic Packaging International 3.75% 2030	\$226,000	159	0.08

PORTFOLIO STATEMENT  
at 30 June 2024 (unaudited)

	Holding	Fair value £'000	% of total net assets
Graphic Packaging International 1.512% 2026	\$125,000	92	0.05
Graphic Packaging International 2.625% 01/02/2029	€674,000	529	0.26
Greenko Power II 4.3% 2028	\$600,000	376	0.18
Grifols Escrow Issuer 3.875% 2028	€350,000	243	0.12
GUSAP III LP 4.25% 2030	\$600,000	445	0.22
Hanesbrands 4.875% 2026	\$300,000	232	0.11
HCA 2.375% 2031	\$1,725,000	1,123	0.55
HCA 3.5% 2051	\$400,000	215	0.11
Hill FL 2023-1 FRN 2031	€200,000	162	0.08
HP 2.65% 2031	\$300,000	202	0.10
HP 3% 2027	\$1,650,000	1,226	0.60
HSBC Holdings 6.547% VRN 2034	\$500,000	409	0.20
Huntsman International 4.25% 2025	€1,200,000	1,011	0.49
Ibercaja Banco 2.75% VRN 2030	€200,000	165	0.08
Ibercaja Banco 4.375% VRN 2028	€100,000	85	0.04
Iberdrola Finanzas 4.871% VRN Perpetual	€200,000	172	0.08
Iliad 1.875% 2028	€600,000	461	0.22
iliad 5.375% 2029	€200,000	172	0.08
iliad 5.375% 2031	€100,000	85	0.04
Infrastrutture Wireless Italian 1.625% 2028	€670,000	523	0.26
Infrastrutture Wireless Italiane 1.75% 2031	€500,000	376	0.18
ING Groep 2% 2028	€500,000	397	0.19
ING Groep 4.25% VRN Perpetual	\$260,000	160	0.08
International Consolidated Airlines 3.75% 2029	€700,000	581	0.28
Intesa Sanpaolo SpA 1.625% 2025	€632,000	526	0.26
IQVIA 2.25% 2029	€1,500,000	1,149	0.56
Iron Mountain 4.5% 2031	\$603,000	430	0.21
Iron Mountain 5.25% 2030	\$297,000	223	0.11
Itau Unibanco Holding 4.5% VRN 2029	\$550,000	431	0.21
JPMorgan Chase 4.625% VRN Perpetual	\$300,000	238	0.12
KB Home 4% 2031	\$250,000	174	0.09
KB Home 4.8% 2029	\$250,000	186	0.09
Klabn Austria 3.2% 2031	\$500,000	335	0.16
Koninklijke 3.875% 2036	€1,400,000	1,169	0.57
La Banque Postale 3% VRN Perpetual	€1,000,000	651	0.32
Lanebrook Mortgage Transaction FRN 2058	£376,000	374	0.18
Levi Strauss 3.5% 2031	\$600,000	411	0.20
Liberty Mutual Group 4.3% 2061	\$500,000	244	0.12
LKQ 5.75% 2028	\$896,000	715	0.35

**PORTFOLIO STATEMENT**  
at 30 June 2024 (unaudited)

	Holding	Fair value £'000	% of total net assets
LKQ Dutch Bond 4.125% 2031	€328,000	277	0.13
LKQ European Holdings 4.125% 2028	€100,000	85	0.04
Lloyds Bank 5.125% 2025	£1,700,000	1,701	0.83
Lloyds Banking Group 8.5%VRN Perpetual	£400,000	409	0.20
Logicor Financing 1.5% 2026	€150,000	120	0.06
Lorca Telecom Bondco 4% 2027	€600,000	495	0.24
Macquarie Bank 3.052%VRN 2036	\$1,040,000	684	0.33
Marks Spencer 3.75% 2026	£322,000	313	0.15
Marks Spencer 4.5% 2027	£1,900,000	1,839	0.90
Matterhorn Telecom 4% 2027	€300,000	249	0.12
Medline Borrower LPMedline 6.25% 2029	\$75,000	60	0.03
Meritage Homes 3.875% 2029	\$830,000	604	0.29
Metropolitan Life Global Funding 2.95% 2030	\$650,000	458	0.22
Millicom International Cellular 4.5% 2031	\$320,000	217	0.11
Millicom International Cellular 7.375% 2032	\$340,000	268	0.13
Mondi Finance 1.625% 2026	€2,100,000	1,715	0.84
Mondi Finance 3.75% 2032	€590,000	500	0.24
Morgan Stanley 5.297%VRN 2037	\$1,021,000	774	0.38
Morgan Stanley 5.831%VRN 2035	\$63,000	51	0.03
Mortimer BTL 2021-1 FRN 2053	£1,500,000	1,012	0.49
Mortimer FRN 2056	£1,034,000	849	0.41
Mozart Debt Merger 3.875% 2029	\$300,000	218	0.11
Muenchener Rueckversicherun 5.875%VRN 2042	\$600,000	473	0.23
National Bank of Greece 5.875%VRN 2035	€300,000	256	0.13
National Grid 0.553% 2029	€800,000	575	0.28
NatWest Group 4.6%VRN Perpetual	\$200,000	125	0.06
Nemak SAB de CV 3.625% 2031	\$463,000	285	0.14
Netflix 3% 2025	€150,000	126	0.06
Netflix 3.625% 2030	€2,050,000	1,730	0.84
Netflix 5.875% 2025	\$150,000	119	0.06
Network i2i 5.65%VRN Perpetual	\$400,000	312	0.15
NewDay Funding FRN 2032	£218,000	223	0.11
Nexans 4.25% 2030	€1,300,000	1,088	0.53
Nexi SpA 0% 2028	€700,000	504	0.25
Next 3.625% 2028	£1,050,000	998	0.49
NGG Finance 2.125%VRN 2082	€251,000	195	0.09
NN Group 6.375%VRN Perpetual	€223,000	189	0.09
Nokia 4.375% 2031	€1,320,000	1,131	0.55
Norsk Hydro 1.125% 2025	€557,000	461	0.22

PORTFOLIO STATEMENT  
at 30 June 2024 (unaudited)

	Holding	Fair value £'000	% of total net assets
Norsk Hydro 2% 2029	€575,000	449	0.22
Novelis Corporation 3.875% 2031	\$400,000	274	0.13
Novo Banco 4.25% VRN 2028	€300,000	254	0.12
Nutrien 2.95% 2030	\$1,050,000	735	0.36
NXP Funding 2.7% 2025	\$1,250,000	964	0.47
Ocado Group 0.75% 2027	£200,000	146	0.07
OI European Group 4.75% 2030	\$600,000	433	0.21
Olympus Water US Holding Corporation 5.375% 2029	€400,000	306	0.15
OneMain Finance Corporation 3.875% 2028	\$200,000	141	0.07
Orbia Advance Corporation 1.875% 2026	\$1,200,000	885	0.43
Orbia Advance Corporation 2.875% 2031	\$700,000	457	0.22
Orsted 1.5% VRN 3021	€690,000	463	0.23
Orsted 2.125% 2027	£690,000	632	0.31
PCL Funding VIII FRN 2028	£100,000	102	0.05
Pension Insurance 3.625% 2032	£420,000	339	0.17
Pension Insurance 6.875% 2034	£200,000	198	0.10
Phoenix Group Holdings 5.625% 2031	£600,000	568	0.28
Pony SA Compartment German Auto FRN 2032	€300,000	258	0.13
Post Holdings 4.5% 2031	\$332,000	235	0.11
Post Holdings 6.25% 2032	\$18,000	14	0.01
ProGroup 5.125% 2029	€131,000	111	0.05
ProGroup 5.375% 2031	€100,000	84	0.04
Prudential 2.95% VRN 2033	\$470,000	329	0.16
PVH 4.125% 2029	€151,000	127	0.06
PVH 4.625% 2025	\$250,000	195	0.09
PVH Corporation 3.125% 2027	€600,000	496	0.24
QBE Insurance Group 2.5% VRN 2038	£250,000	215	0.10
Red & Black Auto Germany FRN 2032	€200,000	173	0.08
Ren Finance 0.5% 2029	€300,000	221	0.11
Rexel 2.125% 2028	€300,000	232	0.11
Rothesay Life 3.375% 2026	£1,450,000	1,385	0.67
Royal KPN 5% 2026	£161,000	161	0.08
Sally Holdings 6.75% 2032	\$238,000	186	0.09
Santander UK 5.75% 2026	£1,850,000	1,866	0.91
Sappi Papier Holding 7.5% 2032	\$75,000	60	0.03
SC Germany SA Compartment Leasing FRN 2032	€600,000	509	0.25
SC Germany SA Compartment Consume FRN 2034	€500,000	112	0.05
Schaeffler 4.5% 2030	€200,000	167	0.08
Seagate HDD Cayman 4.091% 2029	\$629,000	461	0.22

**PORTFOLIO STATEMENT**  
at 30 June 2024 (unaudited)

	Holding	Fair value £'000	% of total net assets
Seagate HDD Cayman 4.125% 2031	\$154,000	108	0.05
Sealed Air Corporation 4% 2027	\$1,280,000	951	0.46
Siemens Financieringsmaatschappij 1.7% 2028	\$2,500,000	1,765	0.86
SIG Combibloc PurchaseCo 2.125% 2025	€3,090,000	2,560	1.25
Silgan Holdings 2.25% 2028	€750,000	580	0.28
Sixt 3.75% 2029	€463,000	393	0.19
Smurfit Kappa Acquisition 2.75% 2025	€100,000	84	0.04
Smurfit Kappa Treasury 1% 2033	€1,350,000	907	0.44
Smurfit Kappa Treasury 1.50% 2027	€300,000	238	0.12
Societe Generale 8.5% VRN Perpetual	\$400,000	299	0.15
Solvay 2.5% VRN Perpetual	€700,000	570	0.28
SPCM 3.375% 2030	\$600,000	409	0.20
SSE 4% VRN Perpetual	€639,000	527	0.26
Steel Dynamics 1.65% 2027	\$100,000	70	0.03
Steel Dynamics 2.4% 2025	\$400,000	306	0.15
Stora Enso 7.25% 2036	\$300,000	251	0.12
Summit Digital Infrastructure 2.875% 2031	\$1,100,000	723	0.35
Suzano Austria 3.125% 2032	\$1,000,000	653	0.32
Swiss Re Finance Luxembourg 4.25% VRN Perpetual	\$400,000	314	0.15
Swiss RE Subordinated Finance 5.698% VRN 2035	\$200,000	156	0.08
Taylor Morrison Communities 5.125% 2030	\$600,000	454	0.22
TDC Net 5.186% 2029	€188,000	161	0.08
TDC Net 6.5% 2031	€700,000	628	0.31
Telecom Italia SpAMilano 2.375% 2027	€200,000	158	0.08
Telefonica Europe 2.376% VRN Perpetual	€300,000	226	0.11
Telenet Finance Luxembourg 5.5% 2028	\$600,000	449	0.22
Telia 0.125% 2030	€310,000	213	0.10
Tenet Healthcare Corporation 4.375% 2030	\$450,000	329	0.16
TenneT Holding 2.374% VRN Perpetual	€300,000	247	0.12
Terna Rete Elettrica Nazionale SpA 1% 2028	€400,000	305	0.15
TerraForm Power Operating 4.75% 2030	\$800,000	576	0.28
Thermo Fisher Scientific 2% 2031	\$145,000	94	0.05
TMobile USA 2.25% 2031	\$2,300,000	1,490	0.73
Turk Telekomunikasyon 7.375% 2029	\$300,000	238	0.12
UBS Group 4.375% VRN Perpetual	\$550,000	352	0.17
UniCredit 2.731% VRN 2032	€625,000	504	0.25
Unilever 1.5% 2026	£1,125,000	1,054	0.51
Unione di Banche Italiane 4.375% VRN 2029	€250,000	212	0.10
UnipolSai Assicurazioni 3.875% 2028	€450,000	377	0.18

**PORTFOLIO STATEMENT**  
at 30 June 2024 (unaudited)

	Holding	Fair value £'000	% of total net assets
United Group 5.25% 2030	€231,000	192	0.09
UPC Broadband Finco 4.875% 2031	\$600,000	428	0.21
Valeo 4.5% 2030	€100,000	83	0.04
Veolia Environnement 0.664% 2031	€1,300,000	911	0.44
Verallia 1.875% 2031	€1,000,000	729	0.35
Verbund 0.9% 2041	€100,000	55	0.03
VF 0.625% 2032	€900,000	539	0.26
Virgin Media Secured Finance 4.25% 2030	£200,000	170	0.08
Vmed O2 UK Financing 4.5% 2031	£635,000	524	0.26
VMware 1.4% 2026	\$1,450,000	1,054	0.51
Volvo Car 4.75% 2030	€200,000	169	0.08
VZ Secured Financing 3.5% 2032	€495,000	366	0.18
VZ Vendor Financing II 2.875% 2029	€100,000	73	0.04
Western Digital 3.1% 2032	\$810,000	521	0.25
Western Digital Corporation 4.75% 2026	\$405,000	313	0.15
WPAP Telecom 3.75% 2029	€200,000	160	0.08
Youni Italy FRN 2034	€457,000	374	0.18
ZF Europe Finance 4.75% 2029	€300,000	255	0.12
ZF Finance 2.25% 2028	€300,000	233	0.11
Zurich Finance Ireland Designat 3% VRN 2051	\$1,200,000	782	0.38
<b>Derivatives – 0.71% (31.12.2023 – 0.72%)</b>			
<b>Credit Default Swaps^ – 0.72 % (31.12.2023 – 0.75%)</b>			
Goldman Sachs 1% 20/06/2029	500,000	(4)	0.00
Morgan Stanley 1% 20/12/2025	2,600,000	18	0.01
Morgan Stanley 1% 20/12/2025	3,250,000	24	0.01
Morgan Stanley 1% 20/06/2027	980,000	15	0.01
Morgan Stanley 1% 20/06/2027	350,000	2	0.00
Morgan Stanley 1% 20/06/2027	2,550,000	39	0.02
Morgan Stanley 1% 20/06/2027	1,650,000	24	0.01
Morgan Stanley 1% 20/06/2027	250,000	(2)	0.00
Morgan Stanley 1% 20/06/2029	1,070,000	18	0.01
Morgan Stanley 1% 20/06/2029	500,000	(22)	(0.01)
Morgan Stanley 1% 20/06/2029	400,000	6	0.00
Morgan Stanley 1% 20/06/2029	350,000	(14)	(0.01)
Morgan Stanley 1% 20/06/2029	450,000	4	0.00
Morgan Stanley 1% 20/06/2029	480,000	(34)	(0.02)
Morgan Stanley 1% 20/06/2029	400,000	(34)	(0.02)
Morgan Stanley 1% 20/06/2029	6,000,000	97	0.05

**PORTFOLIO STATEMENT**  
at 30 June 2024 (unaudited)

	Holding	Fair value £'000	% of total net assets
Morgan Stanley 1% 20/06/2029	2,200,000	55	0.03
Morgan Stanley 5% 20/06/2027	500,000	53	0.03
Morgan Stanley 5% 20/06/2029	850,000	130	0.06
Morgan Stanley 5% 20/06/2029	280,000	37	0.02
Morgan Stanley 5% 20/06/2029	430,000	7	0.00
Morgan Stanley 5% 20/06/2029	900,000	119	0.06
Morgan Stanley 5% 20/06/2029	265,000	8	0.00
Morgan Stanley 5% 20/06/2029	800,000	93	0.05
Morgan Stanley 5% 20/06/2029	220,000	36	0.02
Morgan Stanley 5% 20/06/2029	400,000	50	0.03
Morgan Stanley 5% 20/06/2029	180,000	10	0.01
Morgan Stanley 5% 20/06/2029	12,940,000	639	0.31
Morgan Stanley 5% 20/06/2029	280,000	24	0.01
Morgan Stanley 5% 20/06/2029	450,000	67	0.03
<b>Futures – (0.03%) (31.12.2023 – (0.29%))</b>			
CBT US 5 Years Note (CBT) September 2024	218	88	0.04
CBT US 10 Years Note (CBT) March 2024	(286)	(162)	(0.08)
CBT US Ultra Bond CBT March 2024	(48)	(72)	(0.03)
EUX Euro-Bund Future March 2024	26	34	0.02
EUX Euro-OAT Future March 2024	(35)	50	0.02
ICF Long Gilt Future SEP 2024	34	18	0.01
OSE Japan 10 Years Bond (OSE) Future March 2024	(9)	16	0.01
SFE Australia 10 Year Bond Future March 2024	50	(31)	(0.02)
<b>Options – 0.11 (31.12.2023 – 0.03%)</b>			
CDX.NA.HY.42 (5Y) Default 20/06/2029			
JCPLUK 102.5	(19,000,000)	(55)	(0.03)
CDX.NA.HY.42 (5Y) Default 20/06/2029			
JCPLUK 104.5	19,000,000	107	0.05
CDX.NA.HY.42 (5Y) Default 20/06/2029			
MSLNUK 101	19,000,000	3	0.00
iTraxx Europe Crossover 41 (5Y) Default 20/06/2029 MLILUK 3.75	16,000,000	71	0.04
iTraxx Europe Crossover 41 (5Y) Default 20/06/2029 MSLNUK 3.5	21,000,000	194	0.10
iTraxx Europe Crossover 41 (5Y) Default 20/06/2029 MSLNUK 4	(21,000,000)	(104)	(0.05)

**PORTFOLIO STATEMENT**  
at 30 June 2024 (unaudited)

	Holding	Fair value £'000	% of total net assets
<b>Forward Foreign Exchange Contracts<sup>^</sup> –</b>			
<b>(0.09%)(31.12.2023 – 0.23%)</b>			
GBP Forward Currency Contract 18/09/2024	GBP54,488,659		
EUR Forward Currency Contract 18/09/2024	(EUR64,200,000.00)	(22)	(0.01)
GBP Forward Currency Contract 18/09/2024	GBP2,453,412		
NZD Forward Currency Contract 18/09/2024	(NZD5,100,000.00)	3	0.00
GBP Forward Currency Contract 18/09/2024	GBP119,800,999		
USD Forward Currency Contract 18/09/2024	(USD151,900,000.00)	(160)	(0.08)
GBP Forward Currency Contract 18/09/2024	GBP393,975		
USD Forward Currency Contract 18/09/2024	(USD500,000.00)	(1)	0.00
GBP Forward Currency Contract 18/09/2024	GBP236,782		
USD Forward Currency Contract 18/09/2024	(USD300,000.00)	–	0.00
EUR Forward Currency Contract 18/09/2024	EUR500,000.00		
GBP Forward Currency Contract 18/09/2024	(GBP424,346)	–	0.00
GBP Forward Currency Contract 18/09/2024	GBP790,638		
USD Forward Currency Contract 18/09/2024	(USD789,736)	1	0.00
<b>INVESTMENT ASSETS</b>		<b>199,654</b>	<b>97.22</b>
<b>NET OTHER ASSETS</b>		<b>5,715</b>	<b>2.78</b>
<b>TOTAL NET ASSETS</b>		<b>205,369</b>	<b>100.00</b>

All investments, except for the 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.

<sup>^</sup> Unlisted

The counterparties for the Credit Default Swaps are Goldman Sachs and Morgan Stanley.

The counterparties for the Options Contracts are JP Morgan, Merrill Lynch and Morgan Stanley.

The counterparty for the Futures Contracts is Morgan Stanley.

The counterparties for the Forward Foreign Exchange Contracts are State Street Bank and Northern Trust.

**STATEMENT OF TOTAL RETURN**  
for the half year ended 30 June 2024 (unaudited)

	Period ended 30.06.2024		Period ended 30.06.2023	
	£'000	£'000	£'000	£'000
Income				
Net capital losses		(427)		(861)
Revenue	5,441		3,651	
Expenses	(306)		(220)	
Interest payable and similar charges	–		(12)	
Net revenue before taxation	5,135		3,419	
Taxation	(8)		(5)	
Net revenue after taxation		5,127		3,414
<b>Total return before distributions</b>		<b>4,700</b>		<b>2,553</b>
Distributions		(2,675)		(1,722)
<b>Change in net assets attributable to Unitholders from investment activities</b>		<b>2,025</b>		<b>831</b>

**STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS**  
for the half year ended 30 June 2024 (unaudited)

	Period ended 30.06.2024		Period ended 30.06.2023	
	£'000	£'000	£'000	£'000
<b>Opening net assets attributable to Unitholders</b>		<b>196,677</b>		<b>73,433</b>
Amounts receivable on issue of Units	8,008		114,047	
Amounts payable on cancellation of Units	(1,581)		(4,227)	
		6,427		109,820
Change in net assets attributable to Unitholders from investment activities		2,025		831
Retained distributions on Accumulation Units		240		148
<b>Closing net assets attributable to Unitholders</b>		<b>205,369</b>		<b>184,232</b>

The note on page 29 and the distribution tables on page 30 form part of these financial statements.

The above statement shows the comparative closing net assets at 30 June 2023, whereas the opening net assets for the current accounting period commenced on 1 January 2024.

**BALANCE SHEET**

at 30 June 2024 (unaudited)

	30.06.2024		31.12.2023	
	£'000	£'000	£'000	£'000
<b>ASSETS</b>				
Fixed assets:				
Investments		200,371		192,403
Current assets:				
Debtors	1,702		1,559	
Cash and bank balances	6,902		6,226	
Total current assets		8,604		7,785
<b>Total assets</b>		<b>208,975</b>		<b>200,188</b>
<b>LIABILITIES</b>				
Investment liabilities		717		1,393
Creditors:				
Other creditors	374		65	
Bank overdraft	1,166		1,026	
Distribution payable on Income Units	1,349		1,027	
Total creditors		2,889		2,118
<b>Total liabilities</b>		<b>3,606</b>		<b>3,511</b>
Net assets attributable to Unitholders		205,369		196,677

The financial statements on pages 27 to 30 have been approved by the Board.

Approved on behalf of the Board  
3 October 2024

N Morecroft, Chair

The note on page 29 and the distribution tables on page 30 form part of these financial statements.

NOTE TO THE FINANCIAL STATEMENTS  
for the half year ended 30 June 2024 (unaudited)

1. Accounting policies

*Basis of preparation*

The financial statements have been prepared on a going concern basis, in compliance with United Kingdom Generally Accepted Accounting Practice including FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (United Kingdom Generally Accepted Accounting Practice), the Charities Act 2011, and Alternatives 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.

Unless otherwise stated, all other accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2023 and are described in those financial statements.

The Manager is currently considering the launch of a Charity 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. Any such change of structure would be subject to investor consultation and Board approval. Should this be approved, 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 COIF Charities Short Duration Bond Fund being replaced with their equivalent in the new CAIF fund. This change in structure is expected to result in savings on at least VAT to the end investor and increased regulatory protection for holders of the fund. The timetable is still to be determined following the completion of regulatory and Board approvals.

These events and circumstances therefore represent a material uncertainty which may cast significant doubt on the COIF Charities Short Duration Bond Fund’s ability to continue as a going concern. In the event that the decision is taken not to make the changes the fund is expected to continue to operate as it does now, and hence continue as a going concern. Notwithstanding the material uncertainty explained above, the Board, having made appropriate enquiries and considered the ability of the Fund to meet its ongoing liabilities, has concluded that it remains appropriate to continue to prepare the financial statements on a going concern basis. In reaching this conclusion, the Board has considered that the proposal is contingent on investor consultation and Board approval and that the Fund remains a going concern in all other regard.

## DISTRIBUTION TABLES

for the half year ended 30 June 2024 (unaudited)

Period ended	Date payable/paid		Dividends payable/paid pence per Unit	
	2024	2023	2024	2023
<b>Income Units</b>				
31 March	31 May	31 May	0.77	0.68
30 June	31 August	31 August	0.89	0.68
			<b>1.66</b>	<b>1.36</b>

Period ended	Revenue accumulated pence per Unit	
	2024	2023
<b>Accumulation Units</b>		
31 March	5.49	4.77
30 June	6.40	4.28
	<b>11.89</b>	<b>9.05</b>

## 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.

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**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;

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## 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.

(Charity Registration No. 803610)

## DIRECTORY

### Board

N Morecroft, ASIP (Chair)  
 K Corrigan, FCCA  
 J Hobart, MA  
 C Ong, MBA  
 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:  
 One Angel Lane  
 London  
 EC4R 3AB  
 Telephone: 0207 489 6000  
 Client Service:  
 Freephone: 0800 022 3505  
 Email: [clientservices@ccla.co.uk](mailto:clientservices@ccla.co.uk)  
[www.ccla.co.uk](http://www.ccla.co.uk)

### Transfer Agent

FNZ TA Services Limited  
 7th Floor, 2 Redman Place  
 London  
 EC20 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

### Non-Executive Directors of the Manager

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

### Fund Manager

(CCLA Investment Management Limited)  
 – Investment Team

### Company Secretary

J Fox

### Chief Risk Officer

J-P Lim

### Head of Sustainability

J Corah

### Third Party Advisors

#### *Custodian, Trustee and Depositary*

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

#### *Banker*

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

#### *Independent Auditor*

Deloitte LLP  
 110 Queen Street  
 Glasgow  
 G1 3BX

## ABOUT CCLA

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

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

# CCLA

**CCLA Fund Managers Limited**  
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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).

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