

The CBF Church of England Investment Fund

Fund Fact Sheet – 30 June 2016

Investment Objective

The Fund aims to provide a long-term total return comprising growth in capital and income.

Investment Policy

The portfolio is an actively managed, diversified portfolio of assets designed to help protect both present and future beneficiaries from the effects of inflation. It will consist primarily of equities but will also include property, bonds and other asset classes.

The Fund is managed in accordance with the policies of the Church of England's Ethical Investment Advisory Group.

Suitability

The Fund is suitable for all of a Church of England charity's long-term funds where the charity is looking for a good level of distributions and long-term protection from inflation.

Who can invest?

Any charitable organisation with objects closely connected to the work of the Church of England.

Ethical & responsible investment policy

CCLA supports the Church of England's Ethical Investment Advisory Group (EIAG). EIAG policies are available at www.churchofengland.org/about-us/eiag/ethical-investment-policies.aspx.

Fund update

The investment strategy has a strong bias to real assets including equities in the UK and overseas, property and infrastructure. Exposure to conventional fixed interest securities and to cash is low. Diversification is an important part of the risk control strategy and so, whilst the exposure to fixed interest assets is minimal, there are exposures to areas such as alternative energy, leasing and accommodation which expand significantly the range of assets held. The stock selection approach favours companies with good profit growth potential, robust finances and strong levels of free cash flow.

Within the equity portfolio there are positive biases to consumer discretionary expenditure and IT. In the financial sector there is a relatively low weighting to banks but above index neutral holdings in other parts of the sector. The exposure to energy has been increased but overall a cautious exposure to the sector has been maintained.

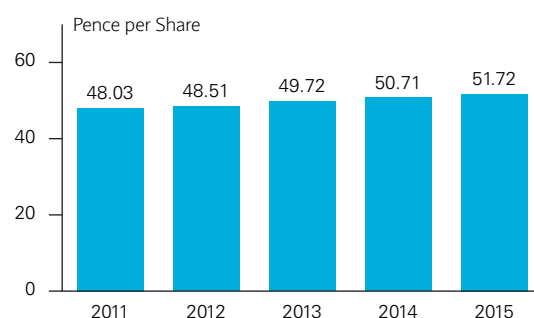
Recent portfolio changes have seen international equities increased at the expense of the domestic alternatives. Within the UK, the emphasis on companies with a domestic focus has been reduced. The portfolio will often have hedged currency exposures to help limit volatility.

Income

Gross dividend yield	3.79%*
MSCI™ UK IMI dividend yield	3.99%

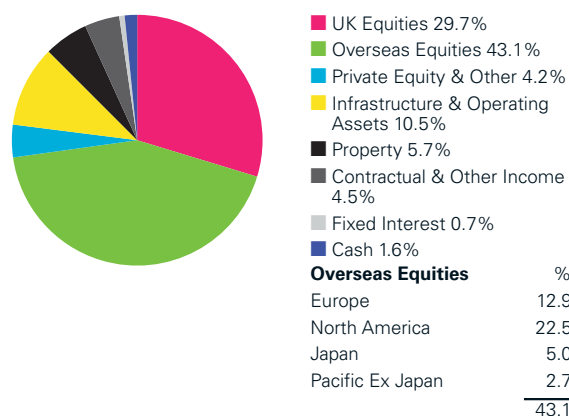
* Based upon mid-market price and an estimated annual dividend of 52.75p.

Past distributions



In December 2015 there was an additional dividend of 2.95p per share as a result of the change in accounting year.

Asset allocation



Discrete year total return performance (gross)

12 months to 30 June	2016	2015	2014	2013	2012
The CBF Church of England Investment Fund	+7.4%	+11.6%	+10.9%	+17.0%	+1.5%
Comparator	+6.2%	+6.3%	+11.6%	+14.9%	-0.2%

Annualised total return performance (gross)

Performance to 30 June 2016	1 year	3 years	5 years
The CBF Church of England Investment Fund	+7.4%	+10.0%	+9.6%
Comparator	+6.2%	+8.0%	+7.6%

Comparator - Composite: From 1.1.16 MSCI™ UK Investable Market Index, 45%; MSCI™ Europe ex UK Index, 10%; MSCI™ North America Index, 10%; MSCI™ Pacific Index, 10%; IPD™ All Properties Index, 5%; Markit iBoxx™ £ Gilts Index, 15% and 7 day LIBID, 5%. From 01.01.12 to 31.12.2015 MSCI™ UK All Cap 45%, MSCI™ Europe Ex UK (50% Hedged) 10%, MSCI™ North America (50% Hedged) 10%, MSCI™ Pacific (50% Hedged) 10%, IPD™ All Properties 5%, BarCap Gilt 15% & 7 Day LIBID 5% and to 31.12.11 FTSE All-Share 60%, FTSE All-World Developed Ex UK 20%, IPD™ All Properties 10% and FTSE UK Government All Stocks 10%. Gross performance shown before management fees and other expenses with gross income reinvested: net returns will differ after the deduction of fees and other expenses. Past performance is no guarantee of future returns. Source: CCLA

Most overweight companies relative to equity indices

CME	1.2%	Fidelity Nat Info	1.1%
Chevron	1.2%	Pennon	1.1%
Taiwan Semiconductor	1.2%	Mastercard	1.0%
Nestle	1.2%	Starbucks	1.0%
Pfizer	1.1%	Chr Hansen	1.0%

Key facts

Fund size	£1,056m	
Number of holdings	152	
	Income shares	Accumulation shares
Offer (buying) price	1397.76 (xd)	2935.82p
Mid-market price	1390.11 (xd)	2919.77p
Bid (selling) price	1382.47 (xd)	2903.71p
Bid/offer spread	1.1%	1.1%
Launch date	May 1958	
Share types	Income/Accumulation	
Minimum initial investment	£1,000	
Minimum subsequent investment	Nil	
Dealing day	Every Tuesday*	
Sedol numbers	0183042 Inc, 0159214 Acc	
ISIN numbers	GB0001830420 Inc, GB0001592145 Acc	
Dividend payment dates	End February, May, August & November	
Annual management charge (taken 100% from capital)	0.55% **	

* Dealing instructions must be received by 5pm on the business day preceding the dealing day. If Tuesday is a bank holiday, the dealing day will be the previous working day.

** The annual management charge is deducted from capital which may restrict capital growth.

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Important Information

Any forward looking statements are based upon our current opinions, expectations and projections. We undertake no obligations to update or revise these. Actual results could differ materially from those anticipated.

The Fund is a Common Fund established under The Church Funds Investment Measure 1958 (as amended or replaced from time to time). Deposits in the Fund are only available to charitable trusts with objects closely connected with the work of the Church of England.

CCLA Investment Management Limited (registered in England No. 2183088 at the office above) is authorised and regulated by the Financial Conduct Authority and is the manager of The CBF Church of England Funds. The CBF Funds Trustee Limited, is a Registered Charity No. 1116932 and is registered in England as a company limited by guarantee (No. 5957490).