

COIF CHARITIES INVESTMENT FUND
ANNUAL REPORT AND
FINANCIAL STATEMENTS

Year ended 31 December 2017

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 2017

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

Structure and management of the Fund

The Fund is a Common Investment Fund established in 1962 and is now regulated by the Scheme dated 14 May 2008 and made under section 24 of the Charities Act 1993, now section 96 of the Charities Act 2011 and amended by resolutions of the Depositary of the Fund dated 13 May 2009, 21 July 2014, 22 July 2014, 5 December 2015 and 15 May 2017 (as amended or replaced from time to time). The Fund is managed by the Manager as an unregulated collective investment scheme and as an alternative investment fund in accordance with the FCA Regulations and the Alternative Investment Fund Managers Directive (AIFMD) Legislation.

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

The Fund owns 22.37% of the ordinary share capital of the Manager's parent company, CCLA Investment Management Limited, a proportion of which are non-voting shares.

The Board is responsible for setting and subsequently reviewing the investment policy of the Fund, monitoring performance, obtaining Charity Commission orders for the appointment and discharge of the Manager and Depositary, 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, Depositary and Manager are considered Charity Trustees of the Fund within the meaning of the Charities Act 1993 (amended Charities Act 2011).

REPORT OF THE BOARD

for the year ended 31 December 2017

Investment objective and benchmark

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

The objective is to provide a long-term gross total return of 5% per annum before expenses, but net of inflation as measured by the increase in the Consumer Price Index. Within this total return, the Fund aims to deliver a consistent annual distribution to investors. The Fund aims to deliver these returns within a level of risk as measured by volatility which is no greater than 75% of the volatility of the UK equity market.

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 have an emphasis on equities, but will also include property, bonds and other asset classes.

Distribution policy

From 1 January 2017, the Fund has the capacity to make distributions from capital but at least three quarters of the distribution made will be sourced from the income earned on investments.

Suitability

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

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 monitor investment diversification, suitability and risk and to review the performance of the Fund. In addition, the Board monitored 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 these Financial Statements in the portfolio statement.

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

Responsible investment and stewardship

The Fund is managed in accordance with CCLA's responsible investment approach. This integrates environmental, social and governance issues into investment decision making and prioritises ongoing stewardship with investee companies. These activities are conducted with the aim of increasing the security of the Fund.

REPORT OF THE BOARD

for the year ended 31 December 2017

The Manager is a signatory to the United Nations backed Principles of Responsible Investment and the Financial Reporting Council's Stewardship Code. The most recent PRI Assessment and the full response to the Stewardship Code are available at <https://www.ccla.co.uk/our-approach/how-we-approach-stewardship-and-ethics>.

Ethical investment

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

In this spirit, the Board has adopted an ethical investment policy which reflects client priorities researched by the Manager. The Fund avoids investing in companies involved in the production of weapons banned by international treaties (e.g. land mines and cluster bombs) or with significant business activity (defined as 33% of revenue) in the following areas: online gambling, production of pornography or tobacco.

We recognise that the ethical investment priorities of unitholders change over time. For this reason, the Fund's policy is reviewed every three years. Following an extensive client survey, the Board has agreed a number of small revisions to the ethical investment policy. These changes will:

- Refocus the existing investment restriction from companies who derive more than 33% of their revenue from tobacco to those involved in the production of tobacco products; and

- Tighten the definition of 'significant business activity' in online gambling and the production of pornography from 33% of revenue to 10% of revenue.

The changes will come into effect from 1 July 2018.

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 year, the Board, assisted by the Manager, reviewed the Fund's systems of internal control. The Board receives from the Manager and reviews a formal risk management report setting out the main risks facing the Fund, the controls in place to mitigate the risks and the assessment of each risk after application of mitigating controls.

R Norris
Chairman
14 May 2018

REPORT OF THE INVESTMENT MANAGER

for the year ended 31 December 2017

Performance

Over the year the Fund achieved a total return of 13.15% before expenses. In a positive year for investment markets, the strongest returns were earned by international equities. The total return on the Income Units, after all costs was 12.45%; the Accumulation Units, on the same basis, gave a return of 12.46%. The total return on the comparator index was 10.72%. The Fund's

relative performance was supported by the asset split within the portfolio and in particular the bias towards real assets including equities. The contribution from stock selection was mixed as gains made earlier in the year were eroded by a sharp rally in the energy and resource sectors where the portfolio's weightings were less than those of the market index.

Annualised total capital and income return

To 31 December 2017	1 year %	5 years % p.a.	10 years % p.a.
Performance against market indices (before expenses)			
COIF Charities Investment Fund	13.15	12.17	7.30
Comparator [#]	10.72	10.47	6.84
MSCI UK Investable Market Index	13.07	9.99	6.24
MSCI World ex UK	12.39	17.10	10.15
iBoxx £ Gilts	1.97	4.46	6.01
IPD All Properties Monthly [*]	11.03	11.41	5.58
Performance after expenses			
Income units [*]	12.45	11.42	6.70
Accumulation units [*]	12.46	11.46	6.73

[#] Comparator – Composite: From 01.01.16 MSCI UK IMI 45%, MSCI Europe Ex UK 10%, MSCI North America 10%, MSCI Pacific 10%, AREF/IPD™ All Properties 5%, iBoxx £ Gilt 15% & 7 Day LIBID 5%. To 31.12.15 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%.

^{*} Mid to mid plus income re-invested.

Source: CCLA.

REPORT OF THE INVESTMENT MANAGER for the year ended 31 December 2017

Economic and Investment Market Review

The uptrend in the world economy strengthened and broadened over the year, finally putting behind it the drag on performance from the recession and financial crisis of a decade before. All the major economies improved, to the extent that, increasingly, the ultra-supportive monetary policies of quantitative easing (QE) and very low interest rates came under review. This was despite another year of subdued headline rates of inflation. The Federal Reserve in the US began the process of unwinding the QE programme and raised interest rates. In Europe, the ECB signalled the probable end of its QE programme later in 2018 and in the UK, the Bank of England increased interest rates, reversing the cut made immediately after the Referendum in June 2016 on EU membership.

International equities gave the best returns. Of the major regional indices, Asia ex-Japan led the way, with a return of +23.37% to a UK based investor, Europe returned 17.21%, Japan 14.44% and the US 11.37%. There were some very strong individual market performances. In Europe, Austria returned 44.49%, with four other national indices returning more than 20%. In Asia, returns from both South Korea and China exceeded 30%, again with four other countries providing gains of 20% or more. The UK participated in the move upwards, but lagged most of the international peers, improving by 13.10%. Property returns were positive and in contrast with the pessimism which had followed the Referendum. Overseas investor interest remained high, particularly for

trophy assets. Within the sector the strongest performances came from the Industrial sector and assets with long income characteristics, such as hotels. In contrast, retail assets underperformed as concerns increased about the sustainability of rents. The domestic fixed income sector achieved positive returns, but only modestly so. A backcloth of higher inflation and expectations of reduced QE and higher interest rates, saw investor preferences move elsewhere. In currency markets, Sterling rallied against the US Dollar and Yen, by 9.51% and 5.35% respectively. It lost -4.02% against the Euro.

Strategy

The Fund's investment objectives of positive real returns and a rising income distribution over time are supported by a diversified portfolio, but also one with a strong weighting to real assets including UK and international equities, domestic commercial property and infrastructure. There is only a nominal exposure to fixed interest investments, an asset class whose characteristics are poorly aligned to the needs of this fund.

A total return approach is taken to the Fund's income distribution policy by which the payments to investors can be supported by both income receipts and sustainable capital returns. The Charity Commission has confirmed that investors in the Fund can account for the entire payment as income.

REPORT OF THE INVESTMENT MANAGER
for the year ended 31 December 2017**Outlook**

We expect global growth to continue in 2018 at a pace similar to that experienced in the later months of 2017. As growth expands, so the justification for exceptional monetary policies weakens policy normalisation is therefore on the cards. Higher interest rates justified by strengthening growth, should not threaten investment market valuations, but less certain is the impact of the ending of quantitative easing related cash flows, which in recent years have provided strong buying support for a wide range of assets. The UK economy is expected to grow, but not at the pace experienced by its international peers. Domestic inflation will moderate from recent high levels, but is still expected to remain noticeably above 2%. The Bank of England has hinted at more interest rate increases to come, but current expectations are that official interest rates of 1% or more are still some way away.

Continued growth should support equity investment markets even at valuation levels which are extended by historical standards. Volatility though, which was subdued in 2017, is likely to increase. We expect returns from the property sector to be centred on income receipts, with any contribution from capital gains likely to be modest. In contrast to this positive outlook, we see conditions in the fixed interest sectors as challenging and expect yields to rise over the course of the year.

J Bevan
Chief Investment Officer
CCLA Fund Managers Limited
14 May 2018

REPORT OF THE INVESTMENT MANAGER
for the year ended 31 December 2017

Top ten changes in portfolio composition

	Cost £'000		Proceeds £'000
Purchases:		Sales:	
Thermo Fisher Scientific	24,070	Royal Dutch Shell B	26,359
UnitedHealth Group	21,239	Worldpay	19,735
Croda International	19,201	GlaxoSmithKline	17,297
The Priceline Group	19,074	BHP Billiton	16,958
Bank of America	18,387	Aberforth Geared Income Trust	14,348
London Stock Exchange Group	17,549	Zurich Insurance	14,191
3M Company	15,297	Exxon Mobil	14,106
Visa A	14,471	Schlumberger	13,516
Fresenius	14,355	Vodafone	12,347
Zoetis	14,319	Costco Wholesale	11,167

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

The Fund's units and the revenue from them can fall as well as rise and an investor may not get back the amount originally invested. Past performance is no guarantee of future returns.

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 weekly dealing day.

This Fund may invest in emerging market countries which could be subject to political and economic change.

The Fund may invest in collective investment schemes and other assets which may be illiquid. These include limited partnerships and other unquoted investments where valuations are open to substantial subjectivity. The Fund may also invest in the COIF Charities Property Fund, which invests directly in property and property related assets which are valued by an independent valuer and as such are open to substantial subjectivity. The performance of this Fund may be adversely affected by a downturn in the property market which could impact on the capital and/or income value of this Fund.

REPORT OF THE DEPOSITARY
for the year ended 31 December 2017

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 Company and as required by the AIFMD.

HSBC Bank plc
Trustee and Depositary Services
8 Canada Square
London E14 5HQ

HSBC Bank plc is authorised and regulated by
the Financial Conduct Authority
14 May 2018

INDEPENDENT AUDITORS' REPORT

to the Trustees of the COIF Charities Investment Fund

Report on the audit of the financial statements*Opinion*

In our opinion, COIF Charities Investment Fund's financial statements (the "financial statements"):

- give a true and fair view of the state of the charity's affairs as at 31 December 2017 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law), and the Statement of Recommended Practice for UK Authorised Funds; and
- have been prepared in accordance with the requirements of section 144 of the Charities Act 2011 and Regulation 6 of The Charities (Accounts and Reports) Regulations 2008).

We have audited the financial statements, included within the Annual Report and Audited Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2017; the statement of total return; the statement of change in net assets attributable to unitholders for the year then ended; the distribution tables; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees' have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INDEPENDENT AUDITORS' REPORT to the Trustees of the COIF Charities Investment Fund

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to charity's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Reporting required by the Charities Act 2011

Under the Charities Act 2011 we are required to report to you if, in our opinion the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Responsibilities of the Manager for the financial statements
As explained more fully in the *Statement of Board, Depositary and Manager Responsibilities* set out on page 50, the manager is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The manager is also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITORS' REPORT to the Trustees of the COIF Charities Investment Fund

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.

Auditors' 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 auditors' 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the charity's trustees as a body in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act (Regulation 24 of The Charities (Accounts and Reports) Regulations 2008) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Charities Act 2011 exception reporting

Under the Charities Act 2011 we are required to report to you if, in our opinion:

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

INDEPENDENT AUDITORS' REPORT
to the Trustees of the COIF Charities Investment Fund

We have no exceptions to report arising from this responsibility.

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
7 More London
Riverside
London
14 May 2018

PricewaterhouseCoopers LLP is eligible to act, and has been appointed, as auditor under section 144(2) of the Charities Act 2011.

RISK AND REWARD PROFILE

The risk and reward indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank, the greater the potential reward, but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the risk and reward indicator.



The Fund is ranked 5 because funds of this type have experienced above average rises and falls in value in the past. Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases.

The risk and reward disclosures above are based upon categories of risk which were required to be disclosed as at 31 December 2017, the reporting date of these financial statements. From 1 January 2018, new measures of the categories of risk are in force, with the result that the risk disclosures currently available for the Fund in the Key Information Document are not on a comparable basis to the disclosures above.

For further risk information please see the Scheme Particulars, available on the Manager's website at www.ccla.co.uk.

COMPARATIVE TABLE

Change in net assets per unit

	Year to 31.12.2017 pence per unit	Income units Year to 31.12.2016 pence per unit	Year to 31.12.2015 pence per unit
Opening net asset value per unit	1,356.42	1,228.98	1,219.10
Return before operating charges*	178.62	185.35	65.19
Operating charges	(10.97)	(9.55)	(7.90)
Return after operating charges*	167.65	175.80	57.29
Distributions on income units	(49.33)	(48.36)	(47.41)
Closing net asset value per unit	1,474.74	1,356.42	1,228.98
* after direct transaction costs of (pence per unit):	0.77	0.68	0.56

Performance

Return after charges	12.36%	14.30%	4.70%
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Other information

Closing net asset value (£'000)	1,820,423	1,480,478	1,198,243
Closing number of units	123,440,496	109,146,345	97,496,727
Operating charges**	0.76%	0.75%	0.75%
Direct transaction costs	0.05%	0.05%	0.05%

Prices (pence per unit)

Highest unit price (offer)	1,498.80	1,378.29	1,304.25
Lowest unit price (bid)	1,348.40	1,126.55	1,176.78

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

** Operating charges comprise the Manager's periodic 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 31.12.2017 pence per unit	Year to 31.12.2016 pence per unit	Year to 31.12.2015 pence per unit
Opening net asset value per unit	13,647.21	11,909.78	11,277.78
Return before operating charges*	1,819.85	1,831.37	714.82
Operating charges	(111.83)	(93.94)	(82.82)
Return after operating charges*	1,708.02	1,737.43	632.00
Distributions on accumulation units	(442.77)	(447.16)	(479.07)
Retained distributions on accumulation units	442.77	447.16	479.07
Closing net asset value per unit	15,355.23	13,647.21	11,909.78
* after direct transaction costs of (pence per unit):	7.84	6.74	5.32
Performance			
Return after charges	12.52%	14.59%	5.60%
Other information			
Closing net asset value (£'000)	294,927	237,858	200,168
Closing number of units	1,920,691	1,742,907	1,680,699
Operating charges**	0.76%	0.75%	0.75%
Direct transaction costs	0.05%	0.05%	0.05%
Prices (pence per unit)			
Highest unit price (offer)	15,485.79	13,756.64	12,291.00
Lowest unit price (bid)	13,566.65	10,916.72	11,142.17

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

** Operating charges comprise the Manager's periodic 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 2017

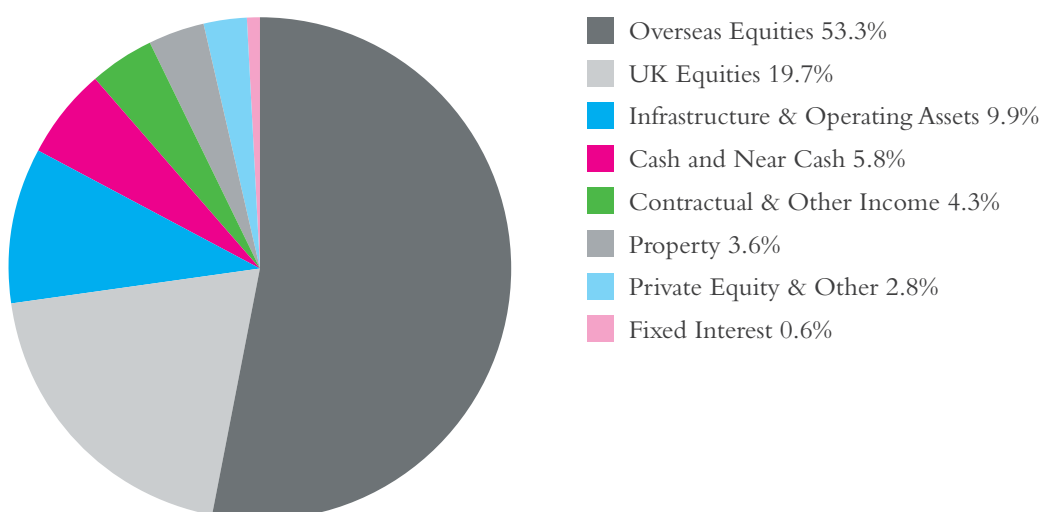
The table below analyses expenses in Note 4 to the financial statements. These expenses also represent the total operating charges (including the share of expenses in the CCLA ACS – Diversified Income Fund), which are shown below as a percentage of average net assets. These percentages are also shown in total in the comparative tables.

	31.12.2017	31.12.2016
	%	%
Manager's periodic charge including VAT	0.72	0.72
Manager's periodic charge – share of the CCLA ACS – Diversified Income Fund	0.02	–
Manager's fee for ethical services	0.01	0.01
Safe custody fees and depositary fee	0.01	0.01
Other expenses	0.00	0.01
Total operating charges	0.76	0.75

PORTFOLIO ANALYSIS

at 31 December 2017

Portfolio Allocation

Breakdown of Overseas Equities
by Geography

North America	32.3%
Developed Europe	12.5%
Asia Pacific ex-Japan	4.1%
Japan	3.8%
Other Americas	0.6%
	53.3%

Breakdown of Equities by Sector

Financials	14.0%
Information Technology	11.7%
Consumer Staples	10.9%
Industrials	9.5%
Health Care	8.8%
Consumer Discretionary	7.1%
Materials	3.7%
Property	3.1%
Energy	1.8%
Telecommunication Services	1.3%
Utilities	1.1%
Funds	0.0%
	73.0%

The portfolio analyses above are consistent with the Fund's factsheets, which differ from the following portfolio statement because: (i) prices used here are mid-market, rather than bid; and (ii) allocations are adjusted on a "look through" basis in respect of cross holdings in other CCLA funds (i.e. such funds are shown in a single category in the portfolio statement, but are analysed by their underlying holdings on this page).

PORTFOLIO STATEMENT

at 31 December 2017

	Holding	Fair value £'000	% of total net assets
UNITED KINGDOM EQUITIES 18.85%			
(31.12.2016, 24.59%)			
Consumer Discretionary 0.98% (31.12.2016, 0.84%)			
Compass Group	797,861	12,766	0.60
InterContinental Hotels Group	168,841	7,966	0.38
Consumer Staples 4.15% (31.12.2016, 3.38%)			
Diageo	1,242,252	33,795	1.60
Reckitt Benckiser	394,601	27,298	1.29
Unilever	647,271	26,693	1.26
Energy 1.25% (31.12.2016, 2.99%)			
Royal Dutch Shell A	774,751	19,198	0.91
Royal Dutch Shell B	283,105	7,089	0.34
Financials 3.10% (31.12.2016, 2.74%)			
HSBC	1,787,934	13,697	0.65
London Stock Exchange Group	508,059	19,235	0.91
Prudential	1,707,034	32,485	1.54
Funds 0.00% (31.12.2016, 0.63%)			
Health Care 0.41% (31.12.2016, 2.74%)			
Genus	342,960	8,677	0.41
Industrials 3.62% (31.12.2016, 2.21%)			
Experian	1,039,547	16,997	0.80
Ferguson	294,119	15,677	0.74
Intertek Group	268,004	13,909	0.66
RELX	1,285,100	22,335	1.06
Spirax Sarco Engineering	135,858	7,635	0.36
Information Technology 0.00% (31.12.2016, 0.76%)			
Materials 2.28% (31.12.2016, 3.24%)			
Croda International	508,625	22,496	1.06
DS Smith	2,294,670	11,875	0.56
Rio Tinto	353,241	13,918	0.66

PORTFOLIO STATEMENT

at 31 December 2017

	Holding	Fair value £'000	% of total net assets
Real Estate 1.74% (31.12.2016, 2.06%)			
Empiric Student Property	12,650,907	11,734	0.55
Primary Health Properties REIT	10,930,699	12,734	0.60
Tritax Big Box REIT	8,346,204	12,411	0.59
Telecommunication Services 0.65% (31.12.2016, 2.13%)			
Vodafone	5,883,784	13,818	0.65
Utilities 0.67% (31.12.2016, 0.87%)			
National Grid	692,673	6,057	0.29
Pennon	1,027,072	8,001	0.38
OVERSEAS EQUITIES 53.65% (31.12.2016, 50.15%)			
DEVELOPED EUROPE 11.85% (31.12.2016, 12.64%)			
Consumer Discretionary 1.43% (31.12.2016, 1.01%)			
LVMH	76,490	16,662	0.79
Valeo	245,441	13,541	0.64
Consumer Staples 2.29% (31.12.2016, 2.26%)			
Anheuser-Busch InBev	168,803	13,928	0.66
L'Oreal	79,226	13,007	0.62
Nestlé	337,521	21,443	1.01
Financials 2.53% (31.12.2016, 3.58%)			
Danske Bank	555,377	15,977	0.76
Deutsche Boerse	224,175	19,283	0.91
ING Groep	1,330,660	18,102	0.86
Health Care 2.32% (31.12.2016, 1.38%)			
Diasorin	108,032	7,082	0.33
Fresenius	218,175	12,534	0.59
Novartis	173,415	10,833	0.51
Roche	47,331	8,847	0.42
Sartorius Stedim Biotech	186,552	9,944	0.47

PORTFOLIO STATEMENT

at 31 December 2017

	Holding	Fair value £'000	% of total net assets
Industrials 1.94% (31.12.2016, 1.88%)			
Assa Abloy	790,940	12,162	0.57
Deutsche Post	486,634	17,190	0.81
Legrand	208,366	11,847	0.56
Information Technology 0.74% (31.12.2016, 0.84%)			
SAP	189,050	15,655	0.74
Materials 0.60% (31.12.2016, 0.75%)			
Chr. Hansen	181,195	12,594	0.60
Real Estate 0.00% (31.12.16, 0.48%)			
Telecommunication Services 0.00% (31.12.2016, 0.46%)			
NORTH AMERICA 30.59% (31.12.2016, 26.21%)			
Consumer Discretionary 2.86% (31.12.2016, 3.42%)			
Amazon.com	16,467	14,236	0.67
Home Depot	91,457	12,827	0.61
The Priceline Group	14,137	18,160	0.86
Starbucks	127,653	5,419	0.25
Walt Disney	124,284	9,903	0.47
Consumer Staples 2.46% (31.12.2016, 1.46%)			
Coca Cola	409,314	13,901	0.66
Colgate-Palmolive	240,885	13,444	0.63
PepsiCo	148,109	13,131	0.62
Procter & Gamble	171,182	11,645	0.55
Energy 0.50% (31.12.2016, 2.92%)			
Chevron	114,465	10,610	0.50
Financials 6.55% (31.12.2016, 5.39%)			
Bank of America	943,106	20,588	0.98
Blackstone	678,168	16,052	0.76
Chicago Mercantile Exchange	200,376	21,638	1.02
Citigroup	319,808	17,594	0.83

PORTFOLIO STATEMENT

at 31 December 2017

	Holding	Fair value £'000	% of total net assets
JP Morgan Chase	315,373	24,990	1.18
S&P Global	193,025	24,182	1.14
Schwab (Charles)	356,667	13,544	0.64
Health Care 5.66% (31.12.2016, 2.10%)			
Bristol Myers Squibb	145,534	6,596	0.31
Celgene	139,196	10,740	0.51
Medtronic	227,249	13,570	0.64
Pfizer	340,837	9,133	0.43
Stryker	129,458	14,827	0.70
Thermo Fisher Scientific	179,384	25,194	1.19
UnitedHealth Group	143,796	23,467	1.11
Zoetis	303,134	16,154	0.77
Industrials 2.57% (31.12.2016, 2.58%)			
3M Company	96,257	16,777	0.79
Canadian Pacific Railway	82,422	11,166	0.53
Honeywell International	111,634	12,681	0.60
Rockwell Automation	94,606	13,740	0.65
Information Technology 7.89% (31.12.2016, 6.48%)			
Accenture	97,003	10,980	0.52
Alphabet	20,016	15,483	0.73
Apple	164,387	20,572	0.97
FaceBook	138,038	18,013	0.85
Fidelity National Information	154,698	10,765	0.51
Mastercard	180,912	20,304	0.96
Microsoft	394,537	24,963	1.18
PayPal	290,746	15,823	0.75
Texas Instruments	195,448	15,093	0.72
Visa A	173,965	14,694	0.70
Materials 0.61% (31.12.2016, 0.42%)			
Ecolab	130,312	12,928	0.61
Real Estate 1.16% (31.12.2016, 0.51%)			
Alexandria Real Estate Equities	107,413	10,369	0.49
Prologis	297,373	14,183	0.67

PORTFOLIO STATEMENT

at 31 December 2017

	Holding	Fair value £'000	% of total net assets
Telecommunication Services 0.00% (31.12.2016, 0.52%)			
Utilities 0.33% (31.12.2016, 0.41%)			
Duke Energy	112,378	6,987	0.33
OTHER AMERICAS 0.56% (31.12.2016, 0.60%)			
Consumer Staples 0.53% (31.12.2016, 0.56%)			
AmBev	2,349,300	11,136	0.53
Funds 0.03% (31.12.2016, 0.04%)			
Aberdeen Latin American Income Fund	803,083	584	0.03
JAPAN 3.65% (31.12.2016, 4.82%)			
Consumer Discretionary 0.68% (31.12.2016, 1.34%)			
Koito Manufacturing	276,554	14,337	0.68
Consumer Staples 0.72% (31.12.2016, 1.08%)			
Kao	305,600	15,271	0.72
Health Care 0.00% (31.12.2016, 0.64%)			
Industrials 0.94% (31.12.2016, 0.79%)			
FANUC	111,300	19,760	0.94
Information Technology 0.78% (31.12.2016, 0.00%)			
Keyence	39,700	16,439	0.78
Real Estate 0.00% (31.12.2016, 0.55%)			
Telecommunication Services 0.53% (31.12.2016, 0.42%)			
KDDI	614,000	11,298	0.53
ASIA PACIFIC EX JAPAN 3.81% (31.12.2016, 2.16%)			
Consumer Discretionary 0.79% (31.12.2016, 0.00%)			
Samsonite International	4,929,900	16,643	0.79
Consumer Staples 0.18% (31.12.2016, 0.00%)			
LG Household & Healthcare	4,602	3,775	0.18

PORTFOLIO STATEMENT

at 31 December 2017

	Holding	Fair value £'000	% of total net assets
Financials 1.14% (31.12.2016, 0.91%)			
AIA	3,835,400	24,155	1.14
Information Technology 1.70% (31.12.2016, 1.25%)			
Taiwan Semiconductor Manufacturing	716,569	21,008	0.99
Tencent Holdings	393,400	15,104	0.71
MULTI GEOGRAPHY 3.19% (31.12.2016, 3.72%)			
Pooled Funds 3.19% (31.12.2016, 3.72%)			
COIF Charities Global Equity Income Fund Income units*	39,100,405	67,533	3.19
PRIVATE EQUITY & OTHER 2.69%			
(31.12.2016, 2.87%)			
CCLA Shares 0.68% (31.12.2016, 0.63%)			
CCLA Investment Management – Ordinary**	28,167	5,702	0.27
CCLA Investment Management Ordinary Non Voting**	26,000	5,263	0.25
CCLA Investment Management – P Ordinary**	3,533,000	3,533	0.16
Other 0.62% (31.12.2016, 0.99%)			
CATCo Reinsurance Opportunities Fund	14,355,603	10,612	0.50
Triodos Microfinance	111,288	2,511	0.12
Private Equity 1.39% (31.12.2016, 1.25%)			
F&C Private Equity	3,330,770	11,191	0.53
Princess Private Equity	1,933,181	18,156	0.86
INFRASTRUCTURE & OPERATING ASSETS 9.54%			
(31.12.2016, 8.91%)			
General 2.46% (31.12.2016, 2.55%)			
International Public Partnerships	141,699	222	0.01
Pan European Infrastructure Fund**	1	9,137	0.43
RREEF Pan-European Infrastructure**	1	39,411	1.87
Strategic Partners Offshore Real Assets – Infrastructure II**	1	3,242	0.15

PORTFOLIO STATEMENT

at 31 December 2017

	Holding	Fair value £'000	% of total net assets
Energy Resources & Environment 2.23% (31.12.2016, 2.07%)			
Bluefield Solar Income Fund	8,353,037	9,752	0.46
Foresight Solar Fund	5,962,403	6,395	0.30
Greencoat UK Wind	12,066,822	14,794	0.70
The Renewables Infrastructure Group	10,767,822	11,672	0.55
The Forest Company**	557,164	1,956	0.10
UK Energy Efficiency Investment 1A L.P.**	1	2,541	0.12
Social 4.85% (31.12.2016, 4.29%)			
Civitas Social Housing REIT	10,474,964	10,894	0.51
European Student Housing Fund**	1	7,723	0.36
GCP Student Living	9,503,892	13,638	0.64
Impact Healthcare REIT	3,517,356	3,570	0.17
MedicX Fund	14,575,451	12,098	0.57
Montreux Healthcare Fund D1**	18,717	33,153	1.57
Target Healthcare REIT	5,091,000	5,727	0.27
Triple Point Social Housing REIT	9,611,250	9,996	0.47
Wren Retirement Fund** (previously Montreux Care Home Fund)	8,102	6,033	0.29
PROPERTY 3.39% (31.12.2016, 4.14%)			
Aberdeen Standard European Logistics REIT	5,240,000	5,384	0.25
COIF Charities Property Fund Income units*	57,926,384	66,500	3.14
MULTI ASSET 2.46% (31.12.2016, 2.97%)			
CCLA ACS – Diversified Income Fund*	33,333,334	52,067	2.46
CONTRACTUAL & OTHER INCOME 3.96% (31.12.2016, 3.61%)			
Alcentra European Floating Rate Income Fund	7,382,491	7,253	0.34
Blackstone Mortgage Trust	115,858	2,755	0.13
Blackstone/GSO Loan Financing	11,220,245	9,761	0.46
Chenavari Capital Solutions	3,213,467	2,844	0.14
DP Aircraft	13,075,228	10,318	0.49
Duet Real Estate Finance***	3,611,649	2	0.00
Fair Oaks Income Fund	17,825,774	13,770	0.65
GCP Asset Backed Income Fund	9,545,902	9,880	0.47
GCP Asset Backed Income Fund C shares	4,363,450	4,418	0.21

PORTFOLIO STATEMENT

at 31 December 2017

	Holding	Fair value £'000	% of total net assets
GCP Infrastructure Investments	2,544,071	3,261	0.15
KKR Mezzanine**	1	3,547	0.17
KKR Private Credit Opportunities Partners II**	1	567	0.03
NB Global Floating Rate Income Fund	38,950	37	0.00
Nimrod Sea Assets***	7,758,393	287	0.01
RM Secured Direct Lending C shares	4,617,577	4,664	0.22
RM Secured Direct Lending	3,786,736	3,806	0.18
SQN Asset Finance Income Fund C shares	1,584,721	1,418	0.07
SQN Asset Finance Income Fund	5,788,815	5,123	0.24
FIXED INTEREST 0.01% (31.12.16, 0.32%)			
Land Securities 5.391% VRN 2027	194,000	241	0.01
FORWARD CURRENCY CONTRACTS 0.00% (31.12.16, (0.02%))			
INVESTMENT ASSETS		2,000,061	94.55
NET OTHER ASSETS		115,289	5.45
TOTAL NET ASSETS		2,115,350	100.00

* The COIF Charities Global Equity Income Fund, COIF Charities property Fund and CCLA Authorised Contractual Scheme – Diversified Income Fund (“CCLA ACS – Diversified Income Fund”) are managed by the Manager and represent related party transactions.

** Unquoted investments. CCLA Investment Management is a related party.

*** Suspended quoted securities.

STATEMENT OF TOTAL RETURN
for the year ended 31 December 2017

	Note	Year ended 31.12.2017		Year ended 31.12.2016	
		£'000	£'000	£'000	£'000
Income					
Net capital gains	2		178,841		166,556
Revenue	3	60,612		56,117	
Expenses	4	(14,814)		(11,318)	
Net revenue before taxation		45,798		44,799	
Taxation	5	(2,094)		(1,882)	
Net revenue after taxation			43,704		42,917
Total return before distributions			222,545		209,473
Distributions	6		(65,539)		(56,851)
Change in net assets attributable to unitholders from investment activities			157,006		152,622

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS
for the year ended 31 December 2017

	Year ended 31.12.2017		Year ended 31.12.2016	
	£'000	£'000	£'000	£'000
Opening net assets attributable to unitholders		1,718,336		1,398,411
Amounts receivable on issue of units	263,644		201,961	
Amounts payable on cancellation of units	(49,254)		(42,553)	
In specie transaction	17,360		–	
		231,750		159,408
Change in net assets attributable to unitholders from investment activities		157,006		152,622
Retained distributions on accumulation units		8,258		7,895
Closing net assets attributable to unitholders		2,115,350		1,718,336

The notes on pages 30 to 48 and distribution tables on page 49 form part of these financial statements.

BALANCE SHEET
at 31 December 2017

	<i>Note</i>	31.12.2017		31.12.2016	
		£'000	£'000	£'000	£'000
ASSETS					
Fixed assets:					
Investments			2,000,061		1,676,421
Current assets:					
Debtors	7	4,902		4,240	
Cash equivalents	8	116,674		27,604	
Cash and bank balances	8	9,652		26,499	
Total current assets			131,228		58,343
Total assets			2,131,289		1,734,764
LIABILITIES					
Investment liabilities			–		335
Creditors					
Other creditors	9	1,768		4,141	
Distribution payable on income units		14,171		11,952	
Total creditors			15,939		16,093
Total liabilities			15,939		16,428
Net assets attributable to unitholders			2,115,350		1,718,336

The financial statements on pages 28 to 49 have been approved by the Board.

Approved on behalf of the Board
14 May 2018

R Norris, Chairman

The notes on pages 30 to 48 and distribution tables on page 49 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2017

1. Accounting policies

(a) Basis of preparation

The financial statements have been prepared on a going concern basis, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for UK Authorised Funds (SORP) issued by the Investment Management Association in May 2014, the Charities Act 2011, and in accordance with the Scheme and the Collective Investment Scheme Sourcebook. 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 changes in net assets.

(b) Revenue recognition

Dividends on ordinary stocks, including special dividends where appropriate, distributions received on collective investment schemes, preference shares and unit trusts are accrued to revenue on the dates when the investments are first quoted ex-dividend or otherwise, on receipt of cash. Interest on Government and other fixed interest stocks, bank deposits and interest on deposits in the COIF Charities Deposit Fund are accrued on a daily basis.

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.

Dividends received from US REITS are allocated between revenue and capital for distribution purposes. The split is based on the year-end tax reporting date issued by the US REIT. Where the split of revenue and capital has not been announced at the accounting date a provisional split will be used. The provision will be calculated on the prior years aggregated dividend split for each US REIT.

Revenue is stated net of irrecoverable tax credits. In the case where revenue is received after the deduction of withholding tax, the revenue is shown gross of taxation, and the tax consequences are shown within the tax charge.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2017

1. Accounting policies (*continued*)

(c) *Stock dividends*

The ordinary element of stock received in lieu of cash dividends is recognised as revenue of the Fund. Any enhancement above the cash dividend is treated as capital.

(d) *Special dividends, share buy-back or additional share issue*

The underlying circumstances behind a special dividend, share buy-back or additional share issue are reviewed on a case by case basis in determining whether the amount is revenue or capital in nature. Amounts recognised as revenue form part of the distribution.

(e) *Expenses*

During the year, the Manager's periodic charge, paid to the Manager, was taken to the capital of the Fund before distribution. The fee is based on a fixed percentage of the value of the Fund and was 0.60% plus VAT during the year. The Fund received a management fee rebate credited to the capital of the Fund for its holdings in the COIF Charities Property Fund, COIF Charities Global Equity Income Fund and the CCLA ACS – Diversified Income Fund, where during the year, management fees of these funds were taken to capital. The Fund also received a management fee rebate credited to the revenue of the Fund for its deposits in the COIF Charities Deposit Fund where management fees were charged to revenue. The Fund also received a management fee subsidy, credited to the capital of the Fund, for one quarter of the Manager's periodic charge on the CCLA ACS – Diversified Income Fund for two years from the date of investment. On a daily basis, the value of the Fund at the end of the previous day is taken to calculate the fee due. This fee covers the provision of investment services and other expenses incurred by the Manager. A fee for ethical and stewardship services is also charged by the Manager. The Depositary fee, audit, legal, safe custody fees and transaction charges and insurance fees are charged separately to the revenue of the Fund before distribution.

(f) *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 10).

It is the Fund's policy to calculate the distribution based on the revenue on debt securities which is computed as the higher of the amount determined on an accrual of coupon basis and an effective yield basis. The Fund has therefore adopted a distribution policy that follows the effective yield basis for recognising revenue. A reconciliation of the net distribution to the net income of the Fund as reported in the Statement of Total Return is shown in note 6.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2017

1. Accounting policies (continued)

(f) Distributions (continued)

Distributions received by the Fund from other collective investment schemes may include equalisation, which is taken to capital and does not form part of the Fund's distribution.

From 1 January 2017, distributions can also be supported by the Fund's capital.

(g) Basis of valuation

Quoted investments are valued at bid-market values, at the close of business, on the last business day of the accounting period. Any unquoted, unlisted, delisted or suspended investments are stated at valuation by the Manager, and reviewed by the Board.

The Manager's valuation is based upon valuations supplied by the manager of the underlying investments. The Manager satisfies itself that these valuations can be relied on by valuations from independent experts (which may include discounted cash flow calculations, or prices based upon income yield); or net asset values which the Manager considers reliable, based upon audit reports and the Manager's own knowledge of the investee entity. The estimates and assumptions underlying the valuations are kept under review by the Manager, and judgements are reviewed, considering all factors affecting the investments.

For unquoted investments, the latest valuation point may be prior to the year end, but the Manager is satisfied that the resultant portfolio valuation would not be materially different from a valuation carried out as at the year end.

Suspended securities are valued by the Manager having regard to the last quoted price on or before the date of suspension and subsequent available information. Suspended securities are written off after they have been carried at nil value for two years.

(h) Foreign exchange

Assets and liabilities in foreign currencies are expressed in sterling at rates of exchange ruling on the accounting date. Transactions in foreign currencies are translated into sterling at the exchange rates ruling on the transaction dates.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2017

1. Accounting policies (continued)

(h) Foreign exchange (continued)

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.

(i) 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

	31.12.2017	31.12.2016
	£'000	£'000
The net capital gains during the year comprise:		
Realised gains on non-derivative securities*	74,507	60,918
Unrealised gains on non-derivative securities*	100,489	108,520
Unrealised losses on forward currency contracts*	–	(335)
Realised gains/(losses) on forward currency contracts*	1,731	(4,011)
Manager's periodic charge rebate – see note 1(e)**	1,559	1,191
Manager's periodic charge subsidy – see note 1(e)	84	–
Currency gains	580	381
Other capital losses	(109)	(108)
	178,841	166,556

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

** This amount includes the rebates credited to the capital of the Fund for its holding in the COIF Charities Property Fund, COIF Charities Global Equity Income Fund and the CCLA ACS – Diversified Income Fund where, in all these funds, management fees are taken to capital.

*** This is the management fee subsidy credited to the capital of the Fund for its holding in the CCLA ACS – Diversified Income Fund.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2017

3. Revenue

	31.12.2017 £'000	31.12.2016 £'000
Overseas dividends	30,521	26,188
UK dividends	15,695	17,819
Franked dividend distributions	7,362	7,000
Franked dividends on unquoted stocks	3,920	2,750
Interest on debt securities	1,147	453
Interest on the COIF Charities Deposit Fund	212	303
Property income distributions	1,578	1,481
Other income	15	–
Bank interest	20	30
Manager's periodic charge rebate*	142	93
	60,612	56,117

* In the prior year this was disclosed as a negative expense, this has been reallocated to the income note in the current year.

4. Expenses

	31.12.2017 £'000	31.12.2016 £'000
Payable to the Manager, associates of the Manager and agents of either of them:		
Manager's periodic charge – see note 1(e)	13,963	10,893
Manager's periodic – share of the CCLA ACS – Diversified Income Fund – see note 1(e)	313	–
Manager's fee for ethical services	102	102
	14,378	10,995
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Safe custody fees	144	86
Depositary fee	138	85
	282	171

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2017

4. Expenses (*continued*)

	31.12.2017 £'000	31.12.2016 £'000
Other expenses:		
Audit fee	23	19
Insurance fee	20	18
Other fees	111	115
	154	152
Total expenses	14,814	11,318

Audit fee net of VAT is £10,151 (31.12.2016, £9,855).

The above expenses include VAT where applicable.

* This amount represents the rebate of management fees credited to the Fund's revenue for the Fund's deposit in the COIF Charities Deposit Fund where the management fees are charged to revenue.

5. Taxation

The Fund has charitable status and is exempt from UK Income and Capital Gains pursuant to Part 11 Chapter 3 of the Corporation Tax Act 2010. Distributions are paid and reinvested revenue credited gross to shareholders 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.

	31.12.2017 £'000	31.12.2016 £'000
Overseas taxation suffered in the year	1,826	1,500
Overseas recoverable withholding tax written off in the year	268	382
Total taxation	2,094	1,882

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2017

6. Distributions

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

	31.12.2017 £'000	31.12.2016 £'000
31 March – interim distribution	15,685	15,094
30 June – interim distribution	18,927	15,093
30 September – interim distribution	15,796	13,805
31 December – final distribution	15,782	13,764
	66,190	57,756
Add: revenue deducted on cancellation of units	186	170
Deduct: revenue received on inspecie transactions	(145)	–
Deduct: revenue received on issue of units	(692)	(1,075)
Net distribution for the year	65,539	56,851
Net revenue after taxation for the year	43,704	42,917
Amortisation under effective yield	365	–
Transfer from income reserve – see note 10	7,092	2,939
Manager's periodic charge – see note 1(e)	14,378	10,995
Net distribution for the year	65,539	56,851

Details of the distribution per unit are set out in the distribution tables on page 49.

The Manager's periodic charge is charged to capital, so this amount is added back in the table above to the net distribution for the year and deducted from capital.

There were unclaimed distributions as at 31 December 2017 of £71,126 (31.12.2016, £12,780).

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2017

7. Debtors

	31.12.2017 £'000	31.12.2016 £'000
Accrued revenue	4,183	3,635
Amounts receivable on creation of units	674	568
Sales awaiting settlement	33	33
Prepayments	12	4
	4,902	4,240

8. Cash equivalents, cash and bank balances

	31.12.2017 £'000	31.12.2016 £'000
Cash equivalents – cash in the COIF Charities Deposit Fund	116,674	27,604
Cash and bank balances: cash at bank	9,652	26,499

9. Other creditors

	31.12.2017 £'000	31.12.2016 £'000
Purchases awaiting settlement	–	2,571
Accrued expenses	1,343	1,069
Amounts payable on cancellation of units	425	501
	1,768	4,141

10. 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.

	31.12.2017 £'000	31.12.2016 £'000
Income reserve at the start of the year	14,795	16,032
Equalisation of the income reserve	1,815	1,702
Transfer from income reserve	(7,092)	(2,939)
Income reserve at the end of the year	9,518	14,795

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2017

11. Financial instruments

Fair value

Securities held by the Fund are valued at bid-market value (see note 1(g)). 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 UK and overseas equities and UK property. 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.

At 31 December 2017, 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 £100,003,000 (31.12.2016, £83,804,000).

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.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2017

11. Financial instruments (*continued*)

Liquidity risk

Financial instruments held by the Fund, excluding short-term debtors and creditors, are made up of UK and overseas equities, fixed interest stocks, pooled funds and sterling and overseas cash deposits. These assets are generally liquid (except for the unit trusts, which are realisable only on their weekly or monthly dealing dates, and the holdings in the unquoted investments, which are not readily realisable) and enable the Fund to meet the payment of any redemption of units that unitholders may wish to make.

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 2017, 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 £12,034,000 (31.12.2016, £8,179,000).

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2017

11. Financial instruments (continued)

Currency risk (continued)

The total foreign currency exposure at 31 December was:

Currency	31.12.2017			31.12.2016		
	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000
Australian dollar	–	–	–	–	8,645	8,645
Brazilian real	–	11,136	11,136	–	9,575	9,575
Canadian dollar	23	11,166	11,189	28	20,440	20,468
Danish krona	–	28,571	28,571	–	24,666	24,666
Euro	740	253,530	254,270	1,637	91,821	93,458
Hong Kong dollar	–	55,902	55,902	–	15,697	15,697
Japanese yen	97	77,105	77,202	88	82,512	82,600
Korean won	–	3,775	3,775	–	–	–
Norwegian krone	–	–	–	–	7,987	7,987
Swedish krona	–	12,162	12,162	–	19,060	19,060
Swiss franc	–	41,123	41,123	–	50,373	50,373
US dollar	4,686	703,395	708,081	(1,264)	486,614	485,350
Total	5,546	1,197,865	1,203,411	489	817,390	817,879

Interest rate risk

The majority of the Fund's financial assets are equities which neither receive interest nor have maturity dates. The Fund also invests in fixed interest securities and cash deposits, the revenue of which 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.

A sensitivity analysis for interest rate risk is not shown as the impact is unlikely to be significant.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2017

11. Financial instruments (continued)

Interest rate risk (continued)

The total exposure at 31 December 2017 was:

Currency	Floating rate financial assets* £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
Sterling	122,831	–	805,047	927,878
Euro	59	–	254,211	254,270
Japanese yen	–	–	77,202	77,202
US dollar	3,677	–	704,404	708,081
Other	–	–	163,858	163,858
Total	126,567	–	2,004,722	2,131,289

Currency	Floating rate financial liabilities £'000	Fixed rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
Sterling	–	–	15,939	15,939
Total	–	–	15,939	15,939

The total exposure at 31 December 2016 was:

Currency	Floating rate financial assets* £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
Sterling	57,397	337	856,245	913,979
Euro	1,170	–	92,623	93,793
Japanese yen	–	–	82,600	82,600
US dollar	557	–	487,364	487,921
Other	–	–	156,471	156,471
Total	59,124	337	1,675,303	1,734,764

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2017

11. 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	–	–	13,522	13,522
Euro	–	–	335	335
US dollar	–	–	2,571	2,571
Total	–	–	16,428	16,428

* The floating rate financial assets of the Fund earn interest at rates based on either LIBOR or base rate.

All financial liabilities are due to be settled within one year or on demand.

The Fund held derivatives relating to forward currency contracts valued at £nil as at 31 December 2017 (31.12.2016, (£335,138)).

12. Commitments and contingent liabilities

Undrawn commitments at 31 December were:

	31.12.2017 £	31.12.2016 £
RREEF Pan-European Infrastructure	2,108,453	2,027,519
KKR Mezzanine	1,467,366	2,021,133
UK Energy Efficiency 1A L.P.	1,946,326	2,324,882
Pan-European Infrastructure II	13,444,743	14,005,125
European Student Housing Fund	–	4,821,078
KKR Private Credit Opportunities Partners II	16,898,251	–
Strategic Partners Offshore Real Assets – Infrastructure II	16,717,070	–

There were no other commitments or contingent liabilities as at 31 December 2017 (31.12.2016, £nil).

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2017

13. Unquoted and other investments

Unquoted investments include the Fund's holding of 22.37% of the issued share capital of the parent company of the Manager, CCLA Investment Management Limited (CCLA IM), which provides investment management and administrative services to the COIF Charity Funds. The valuation of the holding is based on a discounted market value calculation, prepared yearly.

At 31 December 2017, 3.14% (31.12.2016, 4.14%) of the value of the Fund was held in units in the COIF Charities Property Fund, 3.19% (31.12.2016, 3.72%) of the value of the Fund was held in units in the COIF Charities Global Equity Income Fund, 5.52% (31.12.2016, 1.61%) of the value of the Fund was held in the COIF Charities Deposit Fund and 2.46% (31.12.2016, 2.97%) of the value of the Fund was held in the CCLA ACS – Diversified Income Fund.

At 31 December 2017, the Fund held 43.57% (31.12.2016, 44.57%) of the COIF Charities Global Equity Income Fund, 12.79% (31.12.2016, 13.61%) of the COIF Charities Property Fund and 70.53% (31.12.2016, 100.00%) of the CCLA ACS – Diversified Income Fund. The investment in the COIF Charities Property Fund may not be readily realisable, as the Manager may impose a period of notice or delay, not exceeding six months, before carrying out a redemption of units in that Fund, if it is deemed to be necessary to protect the interests of unitholders of the Fund or to permit properties to be sold to meet a redemption.

14. Board remuneration

The Board members receive no remuneration from the COIF Charity Funds. Mrs R Norris is a director of the Manager's parent company, CCLA Investment Management Limited (CCLA IM) and received remuneration from CCLA IM, which is disclosed in CCLA IM's financial statements.

15. Related party transactions

The Manager's periodic charge and fee for ethical and stewardship services are paid to the Manager, a related party to the Fund. The amounts incurred in respect of these charges are disclosed in note 4. During the year, the Fund received rebates of management fees for its holdings in the COIF Charities Property Fund, COIF Charities Global Equity Income Fund and the CCLA ACS – Diversified Income Fund where, in all these funds, management fees are taken to capital as disclosed in note 2. The Fund also received management fee subsidy for its holding in the CCLA ACS – Diversified Income Fund as disclosed in note 2. An amount of £1,143,850 was due to the Manager at 31 December 2017 (31.12.2016, £940,774). There were no other transactions entered into with the Manager during the year.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2017

15. Related party transactions (continued)

CCLA IM is also a related party to the Fund. During the year, the Fund received dividend of £593,493 from CCLA IM (31.12.2016, £430,992).

At 31 December 2017, a cash balance of £116,673,498 (31.12.2016, £27,604,288) was held in the COIF Charities Deposit Fund. During the year, the Fund received interest of £226,804 (31.12.2016, £302,283) from the COIF Charities Deposit Fund.

During the year, the Fund received rebates of management fees for its deposits in the COIF Charities Deposit Fund where the management fees were charged to revenue as disclosed in note 4.

Further details of the Fund's holdings in CCLA IM and other COIF Charities Funds are disclosed in note 13.

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

16. Portfolio transaction costs

For the year ended 31 December 2017:

	Value £'000	Commissions £'000	%	Taxes £'000	%	Total £'000
Analysis of total purchases costs						
Equity transactions	653,189	488	0.07	155	0.02	653,832
Fund transactions	4,744	–	0.00	–	0.00	4,744
In specie transactions	17,505	–	0.00	–	0.00	17,505
Corporate actions	19,004	–	0.00	–	0.00	19,004
Total	694,442	488		155		695,085

	Value £'000	Commissions £'000	%	Taxes £'000	%	Total £'000
Analysis of total sales costs						
Equity transactions	502,669	(389)	0.08	(6)	0.00	502,274
Bond transactions	5,612	–	0.00	0	0.00	5,612
Fund transactions	7,363	–	0.00	0	0.00	7,363
Corporate actions	15,998	–	0.00	0	0.00	15,998
Total	531,642	(389)		(6)		531,247

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2017

16. Portfolio transaction costs (continued)

Commissions and taxes as a percentage of average net assets

Commissions	0.04%
Taxes	0.01%

The average portfolio dealing spread, including the effect of foreign exchange, as at the balance sheet date was 0.31%.

For the year ended 31 December 2016:

	Value £'000	Commissions £'000	%	Taxes £'000	%	Total £'000
Analysis of total purchases costs						
Equity transactions	528,262	403	0.08	35	0.01	528,700
Bond transactions	5,093	–	0.00	–	0.00	5,093
Fund transactions	2,084	–	0.00	–	0.00	2,084
In specie transactions	83,453	–	0.00	–	0.00	83,453
Total	618,892	403		35		619,330

	Value £'000	Commissions £'000	%	Taxes £'000	%	Total £'000
Analysis of total sales costs						
Equity transactions	384,531	(344)	0.09	(2)	0.00	384,185
Bond transactions	14,727	–	0.00	–	0.00	14,727
Fund transactions	22,911	(27)	0.12	–	0.00	22,884
In specie transactions	41,233	–	0.00	–	0.00	41,233
Total	463,402	(371)		(2)		463,029

Commissions and taxes as a percentage of average net assets

Commissions	0.05%
Taxes	0.00%

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2017

16. Portfolio transaction costs (*continued*)

The average portfolio dealing spread, including the effect of foreign exchange, as at the balance sheet date was 0.40%.

For the current year and comparative year, in the case of equities, commissions and taxes are paid by the Fund on each transaction. In addition, there is a dealing spread between the buying and selling prices of the underlying investments. Unlike shares, the majority of other types of investments (such as bonds, funds 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.

17. Unitholders' funds – reconciliation of units

	31.12.2017	
	Income units	Accumulation units
Opening number of units at beginning of year	109,146,346	1,742,907
Units issued in year	16,400,302	309,722
Units cancelled in year	(2,800,742)	(63,301)
Units converted in year	694,590	(68,637)
Closing number of units at end of year	123,440,496	1,920,691

All units carry the same rights.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2017

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 are unobservable (i.e. for which market data is unavailable) for the asset or liability.

For the year ended 31 December 2017

Category	1 £'000	2 £'000	3 £'000	Total £'000
Investment Assets	1,678,797	196,658	124,606	2,000,061
	1,678,797	196,658	124,606	2,000,061

For the year ended 31 December 2016

Category	1 £'000	2 £'000	3 £'000	Total £'000
Investment Assets	1,357,731	210,719	107,971	1,676,421
Investment Liabilities		(335)		(335)
	1,357,731	210,384	107,971	1,676,086

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.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2017

18. Fair value of financial assets and financial liabilities *(continued)*

For financial instruments for which the Manager uses valuation techniques using non-observable data, the inputs include: valuations from independent experts (which may include discounted cash flow calculations, or prices based upon income yield); or net asset values which the Manager considers reliable, based upon audit reports and the Manager's own knowledge of the investee entity.

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 2017

Period ended	Date paid/payable	Dividends paid/payable pence per unit	
		2017	2016
Income units			
31 March	31 May	12.09	13.38
30 June	31 August	14.28	12.75
30 September	30 November	11.48	11.28
31 December	28 February	11.48	10.95
		49.33	48.36
Revenue accumulated			
		pence per unit	
		2017	2016
Accumulation units			
31 March		117.11	112.59
30 June		141.24	125.55
30 September		100.53	105.04
31 December		83.89	103.98
		442.77	447.16

STATEMENT OF BOARD, DEPOSITARY AND MANAGER RESPONSIBILITIES

Responsibilities of the Board

The Board shall comply with the duty of care when exercising their powers and discharging their duties under the Scheme of the Charity Commission made under the Charities Act 1993 (amended Charities Act 2011), dated 13 May 2009, for the Fund to:

- make and revise the written statement of the investment objectives of the Fund and ensure that details of such investment objectives will be included in the Scheme Particulars;
- determine the criteria and methods for evaluating the performance of the Fund;
- appoint the Auditor of the Fund and agree their terms of engagement;
- make an annual report on the discharge of the Board's responsibilities;
- determine the rate of remuneration of the Depositary and the Manager in accordance with the Scheme and the Scheme Particulars;
- apply to the Commission for an order to discharge the Depositary from the provisions of the Scheme and an order to appoint a new Depositary of the provisions of the Scheme provided that any Board member who has any

interests in the Trustee or the new Depositary 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

- inform the Charity Commission promptly and in writing if the Board is not satisfied at any time as to the compliance of the Depositary or the Manager with the Scheme or the Scheme Particulars.

Under AIFMD the Board has acquired certain additional powers including:

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

STATEMENT OF BOARD, 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 share of the Fund are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Fund's assets is remitted to the Fund within the usual time limits;
- waiting on Trustee to confirm 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, DEPOSITARY AND MANAGER RESPONSIBILITIES**Responsibilities of the Manager**

The Manager of the Fund is required by the Scheme to prepare Financial Statements for the Fund in accordance with the Statement of Recommended Practice for UK Authorised Funds (SORP) issued by the Investment Management Association in May 2014. 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 the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014;
- 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;
- make judgments and estimates that are reasonable and prudent; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume this.

The Manager is required to manage and administer the Fund in accordance with the Scheme, maintain accounting records and take reasonable steps for the prevention and detection of fraud and other irregularities. The Depositary has appointed the Manager to act as Registrar to the Fund.

Under AIFMD, the Manager has acquired certain additional responsibilities including, ensuring compliance with 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 carries out its services through employees of its parent company, CCLA IM.

Recharges for these services are levied in respect of CCLA IM's year ending on 31 March each year. The recharge for the year to 31 March 2017 was £17,157,000. A recharge of £15,551,000 was levied in the year to 31 March 2016.

The average number of full time equivalent staff of CCLA IM, including temporary staff, for the year ended 31 March 2017 was 110 (year ended 31 March 2016: 99).

During the year ended 31 December 2017 and the prior year, remuneration was paid to CCLA IM 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 2017		
	Fixed	Variable	Total
	remuneration	remuneration	
£'000	£'000	£'000	
Identified staff	1,174	960	2,134
Other staff	8,274	2,632	10,906
Total	9,448	3,592	13,040

	Year to 31 December 2016		
	Fixed	Variable	Total
	remuneration	remuneration	
£'000	£'000	£'000	
Identified staff	1,132	767	1,899
Other staff	7,571	2,135	9,706
Total	8,703	2,902	11,605

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

(Charity Registration No. 218873)

Board

R Norris, MSc (Chairman)
K Corrigan, FCCA
A Daws, Solicitor
J Hobart, MA
N Morecroft, ASIP
G Newson, MRICS
J West, FCA

Secretary

J Fox

Manager

CCLA Fund Managers Limited

Investment Manager and Registrar

CCLA Investment Management Limited
Both CCLA Fund Managers Limited and CCLA Investment Management Limited are authorised and regulated by the Financial Conduct Authority
Senator House, 85 Queen Victoria Street
London EC4V 4ET
Telephone: 0207 489 6000
Client Service:
Freephone: 0800 022 3505
Email: clientservices@ccla.co.uk
www.ccla.co.uk

Administrator

HSBC Securities Services (UK) Limited
1-2 Lochside Way
Edinburgh Park
Edinburgh EH12 9DT
Authorised and regulated by the Financial Conduct Authority

Executive Directors of the Manager

M Quicke, OBE (Chief Executive)
J Bevan (Chief Investment Officer)
A McMillan (Chief Operating Officer)
A Robinson, MBE (Director Market Development)

Non-Executive Directors of the Manager

R Horlick (appointed 4 December 2017)
R Norris (appointed 4 December 2017)
T Salmon, OBE (appointed 4 December 2017)
J Tattersall (appointed 4 December 2017)
R Williams (appointed 4 December 2017)

Fund Manager

J Bevan

Company Secretary

J Fox

Head of Operational Risk, Internal Audit and Compliance

S Forrest (resigned 31 January 2018)
R Plumridge (from 31 January 2018)

Head of Ethical and Responsible Investment

J Corah

Third Party Advisors

Custodian, Trustee and Depositary

HSBC Bank plc
8 Canada Square
London E14 5HQ

Banker

HSBC Bank plc
60 Queen Victoria Street
London EC4N 4TR

Solicitors

Farrer & Co LLP
66 Lincoln's Inn Fields
London WC2A 3LH

Independent Auditors

PricewaterhouseCoopers LLP
7 More London Riverside
London SE1 2RT

CCLA COIF Charity Funds

The COIF Charity Funds provide a simple and practical way for charities to obtain, at reasonable cost, professional investment and cash management for their long-term and short-term investments.

A choice of Funds

The six COIF Charity Funds aim to meet most of the investment and deposit needs of charities. They all have low levels of minimum investment, pay income gross and are supported by strong customer service.

Investment Fund

- A suitable long-term fund for most charities
- Highly diversified and well-balanced spread of investments
- Designed to deliver rising income and long term capital growth
- Managed to client-driven responsible investment and UK Stewardship Code principles

Ethical Investment Fund

- A suitable long-term fund for most charities
- Highly diversified and well-balanced spread of investments
- Designed to deliver rising income and long-term capital growth
- Managed to client-driven ethical investment and UK Stewardship Code principles

Global Equity Income Fund

- The delivery of a strong total return from investment in high yielding global equities
- Distributing a high and growing level of income
- Managed to client-driven responsible investment and UK Stewardship Code principles

Fixed Interest Fund

- Investment in UK government securities and corporate bonds
- Distributing a high level of income
- Usually held with other investments such as equities and cash to give a broad spread of assets and achieve combined income and growth objectives

Property Fund

- The delivery of a good level of income and capital growth from investment in a portfolio of UK properties
- A diversified range of office, commercial and industrial properties
- Actively managed to add value

Deposit Fund

- High level of security of capital from a well diversified range of deposits with strong banks
- Rated AAAf/S1 by Fitch Ratings, reflecting the high quality of the portfolio
- Daily liquidity

The COIF Charity Funds are common investment funds established by the Charity Commission for England and Wales under Section 24 of the Charities Act 1993. The Deposit Fund was established under Section 25 of the Charities Act 1993. Any charity in the United Kingdom within the meaning of the Charities Act 1993 (as amended or replaced) may invest in the Deposit, Investment, Ethical Investment and Global Equity Income Funds. Any charity in England and Wales may invest in the Fixed Interest and Property Funds. CCLA Fund Managers Limited is the Manager of the Funds. The Manager has appointed CCLA Investment Management Limited as the Investment Manager and HSBC Securities Services (UK) Limited as Administrator of the Funds.

The value of the investments may fall as well as rise and an investor may not get back the full amount originally invested.



CCLA Fund Managers Limited

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