CCLA PUBLIC SECTOR INVESTMENT FUND

INTERIM REPORT AND UNAUDITED FINANCIAL STATEMENTS

Half year ended 30 September 2018

CCLA

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*Collectively, these comprise the Authorised Corporate Director's Report.

Disability Discrimination Act 1995
Extracts from the Interim Report and Unaudited Financial Statements are available in large print and audio formats.

REPORT OF THE AUTHORISED CORPORATE DIRECTOR
for the half year ended 30 September 2018 (unaudited)

We are pleased to present the Interim Report and Financial Statements for the CCLA Public Sector Investment Fund ("the Company") for the half year ended 30 September 2018. The Company is an umbrella company which currently has one Sub-Fund, The Public Sector Deposit Fund ("PSDF").

Shareholders are not liable for the debts of the Company. A shareholder is not liable to make any further payment to the Company after the purchase price of the shares has been paid.

The scheme property of the Company and the PSDF will normally be valued at 12 noon on each dealing day for the purpose of calculating the price at which shares in the Company may be issued, sold, repurchased or redeemed. The Authorised Corporate Director ("the ACD") reserves the right to revalue the Company or the PSDF at any time, if it considers it desirable to do so.

The PSDF is a Qualifying Money Market Fund ("a QMMF"); investors should note the restrictions set out in the Prospectus and that the investment objectives and policies must meet the conditions specified in the Financial Conduct Authority's ("FCA") definition of a QMMF.

The investment objective of the PSDF is to maximise the current income consistent with the preservation of principal and liquidity by investing in a diversified portfolio of high quality sterling denominated deposits and instruments. The primary objective is to maintain the net asset value of the fund at par (net of earnings).

Further details about the Company and the PSDF are contained in the Prospectus which is available from the ACD and are also available on the Manager's website, www.ccla.co.uk.

Authorised status
The PSDF is an open ended investment company with variable capital under Regulation 12 (authorisation) of the Open Ended Investment Company Regulations 2001 ("OEIC Regulations"). The Company was incorporated in England and Wales and is authorised and regulated by the FCA. The Company is classified as a Undertaking for Collective Investment in Transferable Securities Scheme ("UCITS" Scheme) constituting a QMMF which complies with the FCA's Collective Investment Schemes Sourcebook ("COLL").

Risk and reward profile
The PSDF utilises a Synthetic Risk and Reward Indicator ("SRRI") to provide investors with a meaningful indication of the overall risk and reward profile of the Fund. Further details are set out in the Risk and reward profile section.

CCLA Investment Management Limited
Authorised Corporate Director
27 November 2018

REPORT OF THE INVESTMENT MANAGER
for the half year ended 30 September 2018 (unaudited)

Fund Objective and Investment Policy
The investment objective of The Public Sector Deposit Fund ("PSDF" or "Fund") is to maximise the current income consistent with the preservation of principal and liquidity by investing in a diversified portfolio of high quality sterling denominated deposits and instruments. The primary objective is to maintain the net asset value of the PSDF at par (net of earnings).

Fund Review
The Fund's AAAmmf rating was affirmed on the 19 July 2018 by the credit rating agency, Fitch Ratings. The rating reflects the Fund's extremely strong capacity to achieve the investment objectives of preserving principal and providing shareholder liquidity through limiting credit, market and liquidity risk. The main drivers of the 'AAAmmf' rating are the high credit quality of the portfolio, the limited range of invested security types and the Fund's highly conservative investment guidelines.

Responsible Investment Policy
We monitor our counterparties' Environmental, Social and Governance risk management on a regular basis and take action if necessary. Our research process is based on the work of our Ethical and Responsible Investment team and their data providers.

Performance
Over the reporting period the Fund achieved a total return before management expenses of 0.33%; this was higher than the Fund's benchmark, the London Inter-Bank Sterling 7-Day Bid rate (7-Day LIBID), which averaged 0.22%. There was a net inflow of £113.36 million over the period, the number of shares in issue as at 30 September 2018 was 439.44 million.

Market Review
As the period got underway, the economic impacts of the cold weather experienced during February and March became clear, this combined with a slowing rate of inflation convinced the Bank of England's ("BoE") Monetary Policy Committee ("MPC") to defer increasing its Bank Rate, the Official Bank Rate ("OBR"), to later in the year. However, as the quarter progressed, estimates of UK economic growth in the first quarter were increased to 0.2% from 0.1% following evidence of a more resilient performance from the dominant services sector. This, together with data suggesting a bounce in activity in April and May, was viewed as adding support to the suggestion that much of the blame for a weak start to the year was weather related.

REPORT OF THE INVESTMENT MANAGER
for the half year ended 30 September 2018 (unaudited)

At the August meeting of the MPC, a unanimous decision was made to increase OBR by 25 basis points to 0.75%, the second increase in a year but only the second since 2009. Although it came as a surprise that there were no votes dissenting, the market had fully expected an increase and had already adjusted accordingly. The rise, at a time of significant economic uncertainty, was justified by persistent above target inflation and concerns that growth, although modest, was still at a pace above the economy's long-term capacity. The Committee indicated that, were the economy to continue to develop broadly in line with its projections, an ongoing tightening of monetary policy would be appropriate to return inflation sustainably to the 2% target. "All members agreed that any future increases in Bank Rate were likely to be at a gradual pace and to a limited extent."

The UK labour market proved to be consistently strong over the period. The unemployment rate fell to 4.0% in the three months to July 2018, the lowest level since the mid-seventies, helped by falling levels of migration from the European Union ("EU"). Wages grew at the joint-fastest rate since the summer of 2015, in the three months to the end of July, as public sector pay settlements and the tight labour market appeared to be pushing up pay agreements.

CPI Inflation remained above the 2% target throughout the period, rising to 2.7% (3.5% for the RPI) in August. This was the fastest pace of inflation since February. Data for the period showed that, whilst most constituents of the index were little changed, sharp moves in a few, notably food and transport, pushed the overall level higher. What is clear from recent inflation data is that the price pressures from past currency weakness are fading, off-setting a slow build from domestic factors and the increasing cost of oil.

Within the BoE's August Quarterly Inflation Report, the Bank raised its GDP growth forecast for this year slightly, from 1.4% to 1.5%, and lifted next year's from 1.7% to 1.8%, noting that this assumes no disruption from the United Kingdom's exit of the EU. Although the rate still lags most other developed economies, the upgrade was partly due to stronger activity in the key services sector and increased global growth. The marginally improved picture has helped to reduce the Government's appetite for borrowing. Cumulative borrowing totalled £17.8bn over the financial year to date, £7.8bn less than in the same period of 2017, making it the lowest level of borrowing since 2002 and underlying the scope for modest increases in Government spending in the budget.

Towards the end of the period, increasingly politics took centre stage. The latest International Monetary Fund (IMF) review of the UK economy suggested that uncertainty over the United Kingdom's exit from the EU had so far reduced activity by between 1% and 2%. The IMF expected the drag to continue over the medium term regardless of the outcome of the final outcome.

REPORT OF THE INVESTMENT MANAGER
for the half year ended 30 September 2018 (unaudited)

Outlook
The agreement which is reached with the EU is critical to determining the future path of interest rates and the wider UK economic performance. With little spare capacity in the economy, any speed up of investment could see the BoE tightening monetary policy shortly after.

While the BoE sees a Brexit deal as the most likely scenario, should no final agreement be reached, the BoE has indicated that policymakers may not automatically cut rates as they did in the wake of the 2016 referendum result, as they may need to protect the value of sterling.

EU Money Market Fund Regulation
As previously communicated, the new European Money Market Fund Regulation was published in the Official Journal of the European Union on 30 June 2017 under Reference Regulation (EU) 2017/1131 and the legislation entered force on 21 July 2017.

The FCA has stated that all Money Market Fund UCITS and "look-alike" Alternative Investment Fund ("AIF's") have until 21 January 2019 to apply for authorisation. The FCA will reply to that application request within one month. The new regulation requires providers to make a number of changes to their funds in terms of structure, composition, valuation, liquidity requirements and information reporting.

All shareholders were sent a letter dated 14 November 2018 "Changes to the Public Sector Deposit Fund".

The PSDF, which is a Constant Net Asset Value Fund (CNAV) UK Qualifying Money Market Fund, will follow the new Low Volatility Net Asset Value (LVNAV) structure. It is envisaged that an application to the UK Financial Conduct Authority will be made in early 2019. From an end investor prospective, the new regulation will not change the way the Fund is used in normal market conditions.

CCLA Investment Management
27 November 2018

RESPONSIBILITIES OF AND CERTIFICATION OF THE FINANCIAL STATEMENTS BY THE AUTHORISED CORPORATE DIRECTOR

The ACD is responsible for managing and administering the Company's affairs in accordance with the Regulations. Under the terms of the ACD Agreement, the ACD is to provide investment management, administrative, accounting, company secretarial and registrar services to the Company.

The ACD is required to prepare financial statements for each accounting period which give a true and fair view of the financial affairs of the Company, its net revenue or expenditure and the net gains or losses on the property of the Company for the period.

In preparing the financial statements, the ACD is required to:

- select suitable accounting policies that are appropriate for the PSDF and apply them on a consistent basis;
- comply with the Instrument of Incorporation and the requirements of the Statement of Recommended Practice: "Financial Statements of Authorised Funds", ("SORP"), issued by The Investment Management Association in May 2014;
- follow United Kingdom Generally Accepted Accounting Practices (UK accounting standards and applicable law);
- make judgements and estimates that are reasonable and prudent;
- keep proper accounting records which enable it to demonstrate that the Company complies with the Regulations; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the PSDF will continue in operation.

The financial statements should comply with the disclosure requirements of the FCA's (Open-Ended Investment Companies) Regulations 2001, which should then comply with COLL and any relevant provisions of the Company's Instrument of Incorporation.

The ACD is responsible for maintaining proper books of accounts which disclose, with reasonable accuracy at any time, the financial position of the Company. The ACD is responsible for maintaining an appropriate system of internal controls and for taking all reasonable steps for the prevention and detection of fraud and other irregularities.

Certification of the financial statements by the ACD

This report is certified in accordance with the requirements of the FCA's COLL and was approved for publication on 27 November 2018 by the ACD.

M Quicke OBE	J Bevan
Director	Director
27 November 2018	27 November 2018

THE PUBLIC SECTOR DEPOSIT FUND
RISK AND REWARD PROFILE

The PSDF utilises a Synthetic Risk and Reward Indicator ("SRRI") to provide investors with a meaningful indication of the overall risk and reward profile of the Fund. The SRRI operates on a scale of 1 (lower risk/reward) to 7 (higher risk/reward).

The PSDF SRRI is 1; this is due to the objective of maintaining a constant asset value at par and the low range and frequency of price movements (volatility) of the underlying investments that it targets.

Please refer to our Key Investor Information Document on our website for further information on the SRRI.

A more detailed description of risk factors that apply to the PSDF is set out in the latest Scheme Prospectus available on CCLA's website or by request.

THE PUBLIC SECTOR DEPOSIT FUND
COMPARATIVE TABLE

Change in net assets per share

	Share Class 1			
	Half year ended 30.09.2018 £ per share	Year ended 31.03.2018 £ per share	Year ended 31.03.2017 £ per share	Year ended 31.03.2016 £ per share
Opening net asset value per share	**1.0000**	1.0000	1.0000	1.0000
Return before operating charges*	**0.0033**	0.0035	0.0043	0.0053
Operating charges	**(0.0001)**	(0.0002)	(0.0002)	(0.0003)
Return after operating charges*	**0.0032**	0.0033	0.0041	0.0050
Distributions on income shares	**(0.0032)**	(0.0033)	(0.0041)	(0.0050)
Closing net asset value per share	**1.0000**	1.0000	1.0000	1.0000
* after direct transaction costs of:	**–**	–	–	–
Performance				
Return after charges	**0.32%**	0.33%	0.41%	0.50%
Other information				
Closing net asset value (£'000)	**96,238**	100,414	75,729	31,793
Closing number of shares	**96,238,439**	100,414,076	75,728,593	31,793,349
Operating charges**	**0.02%**	0.02%	0.02%	0.03%
Direct transaction costs	**0.00%**	0.00%	0.00%	0.00%
Prices (pence per share)				
Highest share price (offer)	**1.00**	1.00	1.00	1.00
Lowest share price (bid)	**1.00**	1.00	1.00	1.00

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

** Operating charges comprise the ACD's periodic charge and other expenses. The percentages above reflect these charges divided by average net assets for the period/year.

THE PUBLIC SECTOR DEPOSIT FUND
COMPARATIVE TABLE

Change in net assets per share (continued)

	Share Class 2			
	Half year ended 30.09.2018 £ per share	Year ended 31.03.2018 £ per share	Year ended 31.03.2017 £ per share	Year ended 31.03.2016 £ per share
Opening net asset value per share	**n/a**	n/a	1.0000	1.0000
Return before operating charges*	**n/a**	n/a	0.0021	0.0053
Operating charges	**n/a**	n/a	(0.0008)	(0.0023)
Return after operating charges*	**n/a**	n/a	0.0013	0.0030
Distributions on income shares	**n/a**	n/a	(0.0013)	(0.0030)
Net asset value transferred to Share Class 1**	**n/a**	n/a	(1.0000)	–
Closing net asset value per share	**n/a**	n/a	–	1.0000
* after direct transaction costs of:	**n/a**	n/a	–	–

** On 15 August 2016 all shares were transferred to Share Class 1. For the year ended 31 March 2017, the return after operating charges is for the period from 1 April 2016 to 15 August 2016.

Performance				
Return after charges	**n/a**	n/a	0.13%	0.30%
Other information				
Closing net asset value (£'000)	**n/a**	n/a	–	25
Closing number of shares	**n/a**	n/a	–	25,000
Operating charges***	**n/a**	n/a	0.20%	0.23%
Direct transaction costs	**n/a**	n/a	0.00%	0.00%
Prices (pence per share)				
Highest share price (offer)	**n/a**	n/a	1.00	1.00
Lowest share price (bid)	**n/a**	n/a	1.00	1.00

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

*** Operating charges comprise the ACD's periodic charge and other expenses. The percentages above reflect these charges divided by average net assets for the period/year.

THE PUBLIC SECTOR DEPOSIT FUND
COMPARATIVE TABLE

Change in net assets per share (continued)

	Share Class 3			
	Half year ended 30.09.2018 £ per share	Year ended 31.03.2018 £ per share	Year ended 31.03.2017 £ per share	Year ended 31.03.2016 £ per share
Opening net asset value per share	**n/a**	n/a	1.0000	1.0000
Return before operating charges*	**n/a**	n/a	0.0020	0.0053
Operating charges	**n/a**	n/a	(0.0006)	(0.0018)
Return after operating charges*	**n/a**	n/a	0.0014	0.0035
Distributions on income shares	**n/a**	n/a	(0.0014)	(0.0035)
Net asset value transferred to Share Class 1**	**n/a**	n/a	(1.0000)	–
Closing net asset value per share	**n/a**	n/a	–	1.0000
* after direct transaction costs of:	**n/a**	n/a	–	–

** On 15 August 2016 all shares were transferred to Share Class 1. For the year ended 31 March 2017, the return after operating charges is for the period from 1 April 2016 to 15 August 2016.

Performance				
Return after charges	**n/a**	n/a	0.14%	0.35%
Other information				
Closing net asset value (£'000)	**n/a**	n/a	–	25
Closing number of shares	**n/a**	n/a	–	25,000
Operating charges***	**n/a**	n/a	0.15%	0.18%
Direct transaction costs	**n/a**	n/a	0.00%	0.00%
Prices (pence per share)				
Highest share price (offer)	**n/a**	n/a	1.00	1.00
Lowest share price (bid)	**n/a**	n/a	1.00	1.00

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

*** Operating charges comprise the ACD's periodic charge and other expenses. The percentages above reflect these charges divided by average net assets for the period/year.

THE PUBLIC SECTOR DEPOSIT FUND
COMPARATIVE TABLE

Change in net assets per share (continued)

	Share Class 4			
	Half year ended 30.09.2018 £ per share	Year ended 31.03.2018 £ per share	Year ended 31.03.2017 £ per share	Year ended 31.03.2016 £ per share
Opening net asset value per share	**1.0000**	1.0000	1.0000	1.0000
Return before operating charges*	**0.0033**	0.0035	0.0043	0.0053
Operating charges	**(0.0004)**	(0.0008)	(0.0008)	(0.0011)
Return after operating charges*	**0.0029**	0.0027	0.0035	0.0042
Distributions on income shares	**(0.0029)**	(0.0027)	(0.0035)	(0.0042)
Closing net asset value per share	**1.0000**	1.0000	1.0000	1.0000
* after direct transaction costs of:	**–**	–	–	–
Performance				
Return after charges	**0.29%**	0.27%	0.35%	0.42%
Other information				
Closing net asset value (£'000)	**343,204**	225,672	237,366	145,314
Closing number of shares	**343,203,939**	225,671,897	237,366,204	145,314,338
Operating charges**	**0.08%**	0.08%	0.08%	0.11%
Direct transaction costs	**0.00%**	0.00%	0.00%	0.00%
Prices (pence per share)				
Highest share price (offer)	**1.00**	1.00	1.00	1.00
Lowest share price (bid)	**1.00**	1.00	1.00	1.00

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

** Operating charges comprise the ACD's periodic charge and other expenses. The percentages above reflect these charges divided by average net assets for the period/year.

THE PUBLIC SECTOR DEPOSIT FUND
COMPARATIVE TABLE

Change in net assets per share (continued)

	Share Class 5			
	Half year ended 30.09.2018 £ per share	Year ended 31.03.2018 £ per share	Year ended 31.03.2017 £ per share	Year ended 31.03.2016 £ per share
Opening net asset value per share	**n/a**	n/a	1.0000	1.0000
Return before operating charges*	**n/a**	n/a	0.0021	0.0053
Operating charges	**n/a**	n/a	(0.0008)	(0.0023)
Return after operating charges*	**n/a**	n/a	0.0013	0.0030
Distributions on income shares	**n/a**	n/a	(0.0013)	(0.0030)
Net asset value transferred to Share Class 1**	**n/a**	n/a	(1.0000)	–
Closing net asset value per share	**n/a**	n/a	–	1.0000
* after direct transaction costs of:	**n/a**	n/a	–	–

** On 15 August 2016 all shares were transferred to Share Class 1. For the year ended 31 March 2017, the return after operating charges is for the period from 1 April 2016 to 15 August 2016.

Performance				
Return after charges	**n/a**	n/a	0.13%	0.30%
Other information				
Closing net asset value (£'000)	**n/a**	n/a	–	25
Closing number of shares	**n/a**	n/a	–	25,000
Operating charges***	**n/a**	n/a	0.20%	0.23%
Direct transaction costs	**n/a**	n/a	0.00%	0.00%
Prices (pence per share)				
Highest share price (offer)	**n/a**	n/a	1.00	1.00
Lowest share price (bid)	**n/a**	n/a	1.00	1.00

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

*** Operating charges comprise the ACD's periodic charge and other expenses. The percentages above reflect these charges divided by average net assets for the period/year.

THE PUBLIC SECTOR DEPOSIT FUND
PORTFOLIO STATEMENT
at 30 September 2018 (unaudited)

	Holding £'000	Value £'000	% of total net assets
Certificates of Deposit – 70.54% (31.03.2018, 76.40%)			
ABM AMRO 0.00% 05/10/2018	15,000	14,998	3.41
Bank of Montreal 0.00% 06/11/2018	3,500	3,497	0.79
Bank of Montreal 0.70% 18/12/2018	2,000	2,000	0.46
Barclays Bank 0.85% 20/12/2018	19,000	19,000	4.32
BNP Paribas 0.73% 09/10/2018	10,000	10,000	2.27
Candian Imperial Bank 0.69% 20/11/2018	2,000	2,000	0.46
Candian Imperial Bank 0.71% 02/01/2019	9,000	9,000	2.05
Citibank 0.65% 03/10/2018	5,000	5,000	1.14
Commonwealth Bank of Australia 0.93% 04/07/2019	1,000	1,000	0.23
Credit Agricole CIB 0.81% 03/12/2018	10,000	10,000	2.27
Credit Industriel Et Commercial 0.70% 16/10/2018	1,000	1,000	0.23
Credit Industriel Et Commercial 0.80% 04/12/2018	10,000	10,000	2.27
Credit Industriel Et Commercial 0.80% 05/12/2018	10,000	10,000	2.27
Dankse Bank 0.80% 06/12/2018	5,000	5,000	1.14
Dankse Bank 0.00% 07/12/2018	5,000	4,993	1.13
ING Bank 0.66% 02/10/2018	10,000	10,000	2.27
KBC Bank 0.78% 26/11/2018	5,000	5,000	1.14
KBC Bank 0.81% 10/12/2018	10,000	10,000	2.27
Landesbank Hessen-Thüringen Girozentrale (Helaba) 0.95% 21/06/2019	2,000	2,000	0.46
Lloyds Bank Corporate Markets 0.79% 30/10/2018	10,000	10,000	2.27
Lloyds Bank Corporate Markets 0.81% 30/11/2018	10,000	10,000	2.27
Mizuho Bank 0.77% 16/10/2018	5,000	5,000	1.14
Mizuho Bank 0.82% 07/11/2018	3,000	3,000	0.68
MUFG Bank 0.79% 16/11/2018	10,000	10,000	2.27
National Australia Bank 0.69% 06/12/2018	1,000	1,000	0.23
National Australia Bank 0.65% 09/01/2019	475	475	0.10
Nationwide Bank 0.67% 01/10/2018	10,000	10,000	2.27
Nordea Bank 0.85% 17/01/2019	5,000	5,000	1.14
Nordea Bank 0.855% 04/02/2019	5,000	5,000	1.14
Nordea Bank 0.89% 14/03/2019	5,000	5,000	1.14
Rabobank 0.93% 01/11/2018	2,000	2,000	0.46
Rabobank 0.75% 08/11/2018	1,000	1,000	0.23
Rabobank 0.67% 31/12/2018	1,000	1,000	0.23
Rabobank 0.75% 31/01/2019	2,000	2,000	0.46

THE PUBLIC SECTOR DEPOSIT FUND
PORTFOLIO STATEMENT
at 30 September 2018 (unaudited)

	Holding £'000	Value £'000	% of total net assets
Rabobank 0.98% 01/02/2019	2,000	2,000	0.46
Rabobank 0.90% 26/02/2019	2,000	2,000	0.46
Rabobank 0.89% 07/03/2019	1,000	1,000	0.23
Rabobank 0.99% 26/03/2019	2,000	2,000	0.46
Rabobank 1.01% 05/04/2019	1,000	1,000	0.23
Rabobank 0.90% 25/04/2019	3,000	3,000	0.68
Rabobank 0.84% 21/05/2019	1,000	1,000	0.23
Rabobank 1.00% 25/07/2019	1,000	1,000	0.23
Santander UK 0.78% 06/11/2018	8,000	8,000	1.82
Santander UK 0.78% 19/11/2019	10,000	10,000	2.27
Skandinaviska Enskilda Banken 0.69% 23/01/2019	2,000	2,000	0.46
Societe Generale 0.80% 31/10/2018	5,000	5,000	1.14
Standard Chartered Bank 0.81% 21/12/2018	10,000	10,000	2.27
Sumitomo Mitsui Banking Corporation Europe 0.82% 07/11/2018	10,000	10,000	2.27
Svenska Handelsbanken 0.70% 10/10/2018	1,000	1,000	0.23
Svenska Handelsbanken 0.88% 12/10/2018	3,000	3,000	0.68
Svenska Handelsbanken 0.81% 31/10/2018	2,000	2,000	0.46
Svenska Handelsbanken 0.78% 12/11/2018	4,000	4,000	0.91
Svenska Handelsbanken 0.76% 23/11/2018	3,000	3,000	0.68
Svenska Handelsbanken 0.86% 11/03/2019	2,000	2,000	0.46
Toronto Dominion Bank 0.62% 03/10/2018	1,000	1,000	0.23
Toronto Dominion Bank 0.70% 23/10/2018	2,000	2,000	0.46
Toronto Dominion Bank 0.67% 13/12/2018	1,000	1,000	0.23
Toronto Dominion Bank 0.98% 05/07/2019	1,000	1,000	0.23
Toronto Dominion Bank 1.00% 19/09/2019	3,000	3,000	0.68
UBS 0.76% 05/11/2018	5,000	5,000	1.14
UBS 0.75% 14/11/2018	4,000	4,000	0.91
UBS 0.85% 23/05/2019	2,000	2,000	0.46
UBS 0.82% 03/06/2019	1,000	1,000	0.23
UBS 0.92% 02/07/2019	2,000	2,000	0.46
UBS 0.93% 05/07/2019	1,000	1,000	0.23
UBS 1.00% 12/07/2019	1,000	1,000	0.23
UBS 1.03% 23/08/2019	3,000	3,000	0.68
United Overseas Bank 0.85% 30/01/2019	5,000	5,000	1.13

THE PUBLIC SECTOR DEPOSIT FUND
PORTFOLIO STATEMENT
at 30 September 2018 (unaudited)

	Holding £'000	Value £'000	% of total net assets
Term Deposits – 29.12% (31.03.2018, 23.01%)			
DBS Bank 0.70% 03/10/2018	23,000	23,000	5.23
Landesbank Baden-Wuttemberg 0.72% 01/10/2018	43,000	43,000	9.79
Mizuho Bank 0.70% 01/10/2018	35,000	35,000	7.96
Sumitomo Mitsui Banking Corporation Europe 0.70% 04/10/2018	8,000	8,000	1.82
Sumitomo Mitsui Banking Corporation Europe 0.70% 05/10/2018	19,000	19,000	4.32
Call Accounts – 0.23% (31.03.2018, 0.31%)			
Lloyds Bank	3	3	0.00
Santander UK	1,000	1,000	0.23
INVESTMENT ASSETS		438,966	99.89
NET OTHER ASSETS		476	0.11
TOTAL NET ASSETS		439,442	100.00

THE PUBLIC SECTOR DEPOSIT FUND
STATEMENT OF TOTAL RETURN
for the half year ended 30 September 2018 (unaudited)

	Period ended 30.09.2018		Period ended 30.09.2017	
	£'000	£'000	£'000	£'000
Income				
Net capital gains/(losses)		**–**		–
Revenue	**1,528**		598	
Expenses	**(161)**		(129)	
Net revenue before taxation	**1,367**		469	
Taxation	**–**		–	
Net revenue after taxation		**1,367**		469
Total return before distributions		**1,367**		469
Distributions		**(1,367)**		(469)
Change in net assets attributable to shareholders from investment activities		**–**		–

THE PUBLIC SECTOR DEPOSIT FUND
STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
for the half year ended 30 September 2018 (unaudited)

	Period ended 30.09.2018		Period ended 30.09.2017	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		**326,086**		313,095
Amounts receivable on issue of shares	**1,093,046**		876,631	
Amounts payable on cancellation of shares	**(979,690)**		(696,536)	
		113,356		180,095
Change in net assets attributable to shareholders from investment activities		**–**		–
Closing net assets attributable to shareholders		**439,442**		493,190

The note on page 19 and distribution table on page 20 form part of these financial statements.

The above statement shows the comparative closing net assets at 30 September 2017, whereas the opening net assets for the current accounting period commenced on 1 April 2018.

THE PUBLIC SECTOR DEPOSIT FUND
BALANCE SHEET
at 30 September 2018 (unaudited)

	30.09.2018		31.03.2018	
	£'000	£'000	£'000	£'000
ASSETS				
Fixed assets:				
Investments		**438,966**		325,169
Current assets:				
Debtors	**468**		286	
Cash and bank balances	**298**		795	
Total current assets		**766**		1,081
Total assets		**439,732**		326,250
LIABILITIES				
Creditors				
Other creditors	**37**		27	
Distribution payable	**253**		137	
Total creditors		**290**		164
Total liabilities		**290**		164
Net assets attributable to shareholders		**439,442**		326,086

The financial statements on pages 17 to 20 are approved by the Authorised Corporate Director.

Approved on behalf of the
Authorised Corporate Director
27 November 2018

M Quicke OBE, Director
CCLA Investment Management Limited

Approved on behalf of the
Authorised Corporate Director
27 November 2018

J Bevan, Director
CCLA Investment Management Limited

The note on page 19 and distribution table on page 20 form part of these financial statements.

THE PUBLIC SECTOR DEPOSIT FUND
NOTE TO THE FINANCIAL STATEMENTS
for the half year ended 30 September 2018 (unaudited)

1. Accounting policies

Basis of preparation

The financial statements of the Company which comprise the financial statement of its sub-fund have been prepared on a going concern basis, in compliance with UK GAAP including 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 Scheme and the FCA's Collective Investment Schemes Sourcebook. The financial statements have been prepared under the historical cost basis.

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

Unless otherwise stated, all other accounting policies applied are consistent with those of the Annual Report and Financial Statements for the year ended 31 March 2018 and are described in those financial statements.

THE PUBLIC SECTOR DEPOSIT FUND
DISTRIBUTION TABLE
for the half year ended 30 September 2018 (unaudited)

Period ended	Share Class 1 £	Share Class 4 £	Total £
April 2018	45,491	133,155	178,646
May 2018	58,148	171,050	229,198
June 2018	44,581	172,799	217,380
July 2018	34,685	195,552	230,237
August 2018	41,423	217,672	259,095
September 2018	44,391	208,383	252,774
	268,719	1,098,611	1,367,330

The PSDF accrues distributions on a daily basis and funds are paid out on a monthly basis on or around the first working day of the following month. Distributions are paid gross.

DETAILS OF THE BOARD

The Advisory Board
An Advisory Board for the PSDF has been established by CCLA to represent the interests of depositors and the public sector as a whole. The Advisory Board meets regularly with CCLA, the manager of the PSDF, to provide guidance and monitor the management and development of the Fund. The Board operates on an advisory basis only.

T Salmon OBE (Chairman)
T Beattie
P Clokie OBE
E Eyre
P Findlow
R Kemp CBE
A Naylor
S Pickup OBE
S Timoney
J Turnbull
L Webster

Secretary
J Fox

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www.ccla.co.uk
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Third party administrator appointed by CCLA
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Edinburgh Park
Edinburgh EH12 9DT
Authorised and regulated by the Financial Conduct Authority

Directors of the ACD
Directors responsible for the PSDF
M Quicke OBE (Chief Executive)
J Bevan (Chief Investment Officer)
A McMillan (Chief Operating Officer – Retired 19 November 2018)
E Sheldon (Chief Operating Officer – Appointed 19 November 2018 subject to FCA approval)
A Robinson MBE (Director Market Development)

Non-Executive Directors of the ACD
R Horlick (Chairman)
C Johnson
R Norris (Resigned 17 October 2018)
G Newson (Appointed 29 October 2018)
T Salmon
J Tattersall

Fund Managers
S Freeman
R Evans

Company Secretary
J Fox

Head of Operational Risk, Internal Audit and Compliance
R Plumridge

Head of Ethical and Responsible Investment
J Corah

Third Party Advisors
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London E14 5HQ

Banker
HSBC Bank plc
8 Canada Square
London E14 5HQ

Legal Advisors
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66 Lincoln's Inn Fields
London WC2A 3LH

Independent Auditors
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CCLA Fund Managers Limited (Registered in England and Wales No. 8735639) and CCLA Investment Management Limited (Registered in England and Wales No. 2183088) are authorised and regulated by the Financial Conduct Authority. Registered address: Senator House, 85 Queen Victoria Street, London, EC4V 4ET.

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