COIF CHARITIES PROPERTY FUND

ANNUAL REPORT AND FINANCIAL STATEMENTS

Year ended 31 December 2023

CCLA

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*Collectively, these comprise the Investment 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 2023

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

Structure and management of the Fund
The Fund is a Common Investment Fund and was established in 2002. The Fund is governed by a scheme of the Charity Commission dated 12 July 2002 and as modified by a scheme dated 13 May 2009 and a scheme effective on 21 July 2014 and as amended by resolutions of the trustees of the Fund passed under Section 280 of the Charities Act 2011 on 21 July 2014, 22 July 2014 and 29 July 2014 and by an order dated 9 October 2014 and an order dated 19 October 2016 (the Scheme).

The COIF Board appoints the Manager (CCLA FM) who is responsible for all the investment management and administration services in relation to the Fund including the day to day management of the Fund. The Manager is also responsible for the risk management of the Fund. The Investment Manager (CCLA IM) has been appointed by the Manager to provide portfolio management, administrative and secretarial services to the Fund under the Investment Management Agreement. The Board also appoints the Auditors and the Trustee.

The Trustee and Depositary is HSBC Bank plc who is responsible for the supervision and oversight of the Manager's compliance with the Scheme and for the custody and safekeeping of the assets. The division between management and trustee functions provides an additional layer of protection for Unitholders.

The Manager is responsible for management and the administration of the Fund, including marketing the Fund.

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

Investment objective
The Fund aims to provide investors with a high level of income and long-term capital appreciation.

Investment policy
The Fund is an actively managed, diversified portfolio of UK commercial property. It will principally invest in UK commercial properties but may invest in other assets, which may be either liquid or illiquid in nature.

REPORT OF THE BOARD
for the year ended 31 December 2023

The Fund may invest a proportion of its assets in liquid instruments and cash in order to obtain appropriate levels of liquidity. Instruments used for this purpose may include cash and near cash equivalents, participation notes, UK real estate investment trusts, regulated or unregulated investment funds, and loan notes.

Benchmark
The Fund's benchmark is the MSCI/AREF UK Other Balanced Open-Ended Quarterly Property Fund Index.

Target investors
The Fund is targeted at eligible Charity investors, with at least a basic knowledge of property related investments, who are seeking to invest in an actively managed fund that reflects the investment objective and investment policy of the Fund. The Fund has direct holdings in direct property, which is inherently illiquid, and investors should take particular note of the actions the Manager may have to take in stressed market conditions, such as suspending or delaying Fund dealings. The Fund also has a minimum redemption notice period of 90 days, which can be increased up to 6 months. With the effect from 17 October 2022 and until further notice, the redemption notice period has been extended from 90 days to 180 days. The Fund is therefore not suitable for investors that might have a need for immediate liquidity in their investments. Investors should be looking to invest for at least five years and understand that their capital may be at risk, have the ability to bear losses and appreciate that the value of their investment and any derived income may fall as well as rise.

Borrowing powers
Under the Scheme, the Manager may borrow a maximum of 25% of the net asset value of the Fund with the prior written consent of the Board.

Review of investment activities and policies of the Fund
The Board held quarterly meetings during the year to carry out its responsibility for the approval of investment strategy, for setting distribution policy, to review investment diversification, suitability and risk and to review the performance of the Fund. In addition, the Board monitored the administration, expenses and pricing of the Fund.

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.

In a difficult year for property investments, the Board paid particular attention to the level of Distributions to unit holders and had detailed discussions with the Manager about the liquidity of the Fund. These matters will continue to be a focus of attention during 2024.

Controls and risk management
During the year, the Board, assisted by the Manager, reviewed the Fund's systems of internal control and risk report. 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

REPORT OF THE BOARD
for the year ended 31 December 2023

risk after application of mitigating controls. Investors should note that the management of direct property is outside the scope of the Financial Services and Markets Act 2000 (as amended or replaced from time to time).

Sustainability Approach
Achieving sustainable long-term returns is a key objective of the Fund and an important consideration for the Fund's Unitholders. We link the financial assessments of the investments made on behalf of the Unitholders with broader environmental, social and governance (ESG) issues. This recognises the importance of ESG risks for property and is reflected in our investment processes and the day to day management of the Fund's property portfolio. CCLA's Sustainability and Property teams work closely together with Evora Global Limited, to integrate ESG and performance monitoring. Further details on the Fund's Responsible investment Policy and management information is available on request from the Manager.

Possible Future Developments
The COIF Board, in conjunction with the Manager, have been considering the advantages and disadvantages of moving from a Common Investment Fund (CIF), the current arrangement as explained on Page 3 of this Annual Report, to a Charities Authorised Investment Fund (CAIF), a new investment vehicle which has specifically been designed by the FCA for the charity sector, to which the assets and liabilities of this entity could be transferred. The matter remains under active discussion and any recommendation to change designation will only be advised by the Board in consideration of the best interests of the existing unitholders. The Board notes in this regard that many fund managers operating in the UK Charities sector have already made this change.

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

Should this be approved, on completion of the transfer, the COIF Charities Property Fund would cease operations and be wound up, with the investors' existing holdings in the existing CIF being replaced with their equivalent in the new CAIF. These events and circumstances therefore represent a material uncertainty which may cast significant doubt on the Fund's ability to continue as a going concern.

REPORT OF THE BOARD
for the year ended 31 December 2023

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

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

N Morecroft
Chair
18 June 2024

REPORT OF THE INVESTMENT MANAGER
for the year ended 31 December 2023

Performance
The total return performance record of the COIF Charities Property Fund is noted below and compared to the Benchmark over longer term periods to 31 December 2023. The Benchmark for the Fund is the MSCI/AREF UK Other Balanced Open-Ended Property Fund Index. The Fund continues to produce a competitive set of results in terms of both its income distribution record and the total return.

Property markets were subdued throughout 2023. Income returns held largely steady but capital values, which had fallen precipitously in 2022 in response to a rapid rise in yields, remained under pressure. Investors were especially wary of the office sub-sector. The fund's overweight positioning in the better-performing industrial warehouse market helped to support total returns over the period under review relative to the benchmark.

Annualised total capital and income return

To 31 December 2023	1 year %	3 years % p.a.	5 years % p.a.	10 years % p.a.
Performance against benchmark (after expenses)				
COIF Charities Property Fund	-1.25	+2.87	+2.14	+6.41
MSCI/AREF UK Other Balanced Open-Ended Property Fund Index	-2.04	+1.82	+1.23	+5.67

Source: MSCI AREF UK Quarterly Property Fund Digest Q4 2023.
Past performance is not a reliable indicator of future results.

The fund's more attractive income yield compared to the benchmark also represented a decisive performance advantage. The income distribution yield at the year-end was 5.4% and compares to a 4.1% average recorded by the MSCI/AREF UK Other Balanced Open-Ended Property Fund Benchmark.

The fund ended the year with a total value of £534.87m compared to £582.57m at the beginning of the year. The reduction was mainly due to lower asset valuations recorded by the fund's external valuer. In addition to this, the year also featured a net outflow of investor capital due to unitholder redemption requests that in the period amounted to £11.51m. Liquidity in the Fund has been managed successfully with several property assets sold despite difficult operating conditions in UK property investment markets. By the year-end, total liquidity amounted to a cash holding of £47.7m compared to £13.7m at the start of the year, representing 8.8% of the fund's assets. Given prevailing weak sentiment towards open-ended property fund investment and a rising volume of outflows across the sector this caution

REPORT OF THE INVESTMENT MANAGER
for the year ended 31 December 2023

was found to be merited as an increase in redemption requests subject to the six-month notice period was recorded. At the year-end, outstanding redemption requests totalled £69m.

Strategy
The aim is to maintain a well-diversified portfolio which captures sub-sector strength and fundamentals. This is combined with a dynamic approach that navigates short term sub-sector volatility and asset difficulties, whilst gaining from longer term trends.

The portfolio is weighted in favour of industrial warehouse property, where occupier market fundamentals are the most attractive and supporting strong rental growth performance to underpin rental income and drive income growth at lease events. Elsewhere a material allocation is held in the retail warehouse sub-sector and this continues to offer good value with some defensive qualities. We also aim to increase the weighting to the range of uses within the Other category, which includes hotels and leisure facilities. These assets further support portfolio diversification and typically offer attractive longer-term income streams and assured growth mechanisms.

Meanwhile the Fund remains low and under-weight shops and office, for which the outlook remains especially weak and challenging at the asset level. Prospects are best for those offices in strong locations with the highest quality specification as occupiers consolidate demand at the prime end.

These redemptions will be covered by the cash holdings available at the year-end topped up by the post year-end property sales.

Market review
The property investment market offered no relief for investors all year with weakness severe and entrenched following the valuation shock experienced in 2022. At around £36 billion, transaction volumes for 2023 were the lowest total since 2012 and more than 30% below the 10-year average. Overseas buyers continued to dominate such activity as did take place and represented more than half of total volume. Industrial warehouses stabilised somewhat, whereas office markets were the weakest of the traditional sub-sectors.

Despite more resilience in occupier markets, rental growth and rental income flows, further weakness in capital performance as the year progressed led total returns into negative territory. The MSCI Quarterly Capital Index for All Property ended the year down -5.7% and with income the total return was -1.0%. Despite a year end set-back for valuations, industrial warehouses led the pack producing a positive total return at +4.1% and the only sub-sector to do so, with capital growth only slightly negative at -0.3%. Office capital valuation performance remained weak and ended the year down -14.1%. In contrast, MSCI Quarterly Rental Growth Indices increased by +3.7%, still led by industrial warehouse property, at +7.1%.

REPORT OF THE INVESTMENT MANAGER
for the year ended 31 December 2023

Activity
Activity within the portfolio during the year was dominated by a programme of asset disposals. This was partly aimed at raising the cash holding in the face of heightened redemption requests. These disposals also allowed us to continue pursuing our strategic repositioning of the portfolio away from those assets whose prospects for future performance had weakened. The volume of sales success increased as the year progressed so that by the year end ten assets had been sold. These were two offices in Leicester, small shops in Truro and Newcastle Upon Tyne, retail warehouses in Bristol, Milton Keynes and Oldbury, a car showroom in Dartford and an industrial warehouse property at West Thurrock. The sales prices achieved overall compared well against the valuations bearing in mind market conditions, and in total £50m was raised.

The year was also busy in terms of portfolio lease management activities. With rent collection functions having returned to pre-Covid normality, asset and lease event management is now focused on opportunities to improve assets and letting terms and supporting portfolio income. The Fund's largest holding, an office building on Cannon Street in the City of London has had an especially active year as we continued the cycle of new vacancy, refurbishment and new leasing activity which is made possible by the asset's quality and prime location. Rents and tenant incentives have typically been at least maintained or displayed some growth at the rental headline level.

Several other new leases, rent renewals and reviews were also completed on other property assets held in the Fund, most of which resulted in enhanced and/or more secure income streams.

Our approach to ESG in managing the property portfolio
Responsible property investment, sustainability, and ESG considerations are an important element of our management approach and the investment process. This includes improving existing holdings, at an appropriate point in the life cycle of the property, as well as reviewing potential investments against existing ESG credentials and specifications, or where we believe that a credible improvement plan can be put in place. Our Responsible Investment in Property policy can be found at Policies and reports | CCLA.

Energy Performance Certificates (EPCs) are an important focus with an aim to achieve asset level improvements in performance and ensure compliance with the Minimum Energy Efficiency Standards (MEES) regulations. As part of the Fund's approach, costings are being obtained to improve the sustainability credentials and EPC rating of the poorer rated properties and where lease events provide opportunity for greater engagement in this area with assets and tenants. Our standard lease terms feature green lease clauses which are designed to support our access to data across a range of metrics such as tenants' energy and water consumption, and waste and recycling regimes.

REPORT OF THE INVESTMENT MANAGER
for the year ended 31 December 2023

Over the period under review, work has continued with the Fund's approach and improving management systems. To further improve our capabilities in this area Evora Global have been appointed to advise the Fund and provide specialist support in developing policies and asset level plans.

In addition to these asset level initiatives CCLA has been proactive as a leader in the industry to address systemic risks that have not had the attention that they require. Within property we have sought to work with BNP Property Management to ensure that our work on tackling modern slavery has been addressed within its own operations including construction, refurbishment, and support service provision.

The activities of all tenants are reviewed on a quarterly basis. A list of client value related investment restrictions is available on the fund page of the manager's website. All tenants are reviewed against these values before being approved for the fund. If as the result of an assignment the tenant's activity is in breach of these value restrictions, CCLA Investment Committee would consider the appropriate way forward. There is no blanket requirement to dispose of the property, but the Investment Committee may require the sale of such an asset over an appropriate time frame and dependent on market conditions.

Outlook

While higher interest rates will remain a drag on economic activity and growth, we anticipate some improvement in property returns as we move through 2024.

Most observers expect that we have passed the peak of the interest rate cycle and that rates will begin to decline in the coming months, providing renewed support for property valuations. There is still scope for further valuation weakness as the market adapts to recent investor liquidity demands, but in due course rising transaction volumes will aid price discovery, support liquidity, and build further confidence in valuations. Meanwhile, unless economic conditions deteriorate severely and unexpectedly, we believe the attractiveness and reliability of income from property investment can be expected to remain resilient.

The potential for more attractive positive total returns for 2024 and 2025 will be driven by the income contribution and prospects for rental growth.

Within the market, however, we can expect to see ongoing divergence in returns at sub-sector and asset levels, with implications for strategic structure and portfolio management activity. Higher portfolio turnover rates are likely as we continue to re-shape portfolio allocations, raise liquidity, repurpose some portfolio assets, and re-engineer rental streams to support the fund's income and add value.

REPORT OF THE INVESTMENT MANAGER
for the year ended 31 December 2023

Association of Real Estate Funds
The Fund complies with the minimum requirements of the Association of Real Estate Funds (AREF) Code of Practice, which is a voluntary Code which aims to encourage members of AREF to adopt best practice whenever possible. The code is publicly available and published on the Association's website: www.aref.org.uk.

Paul Hannam
Head of Property
CCLA Investment Management Limited
18 June 2024

Risk warning
Investors should consider the risk factors identified in the Scheme Particulars. Past performance is not a reliable indicator of future results. The value of investments and the income derived from them may fall as well as rise. Investors may not get back the amount originally invested and may lose money.

Property and property related assets are inherently difficult to value because of the individual nature of each property. As a result, valuations are open to substantial subjectivity. There is no assurance that the valuations of the properties will reflect the sale price achieved, even where such sale occurs shortly after the valuation point.

The performance of the Fund could be affected adversely by a downturn in the property market in terms of capital value or a weakening of rental yields. The revenue received by the Fund is dependent to a large extent upon the occupancy levels of any property owned by the Fund and the rents paid by these tenants.

Rental revenues and property values are affected by changes in general economic climate and local conditions.

Property values are dependent in particular on current rental values, prospective rental growth, lease lengths, tenant credit worthiness and the valuation yield (which is itself related to interest rates, the market appetite for property investment in general and with reference to the specific property in question) together with the nature, location and physical condition of the property concerned.

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. The Units are realisable only on each monthly dealing day and whilst investors can request a redemption at any time, all such requests are subject to a minimum notice period of 90 days which may be increased to up to 6 months in accordance with the provisions in the Scheme Particulars. With the effect from 17 October 2022 and until further notice, the redemption notice period has been extended from 90 days to 180 days. In certain circumstances, the rights for Unitholders to redeem Units may be suspended. Unitholders should note that where a suspension is implemented, they may not be able to redeem their Units as quickly as they would like to, and that this may have an impact on redemption and may consequently impact the Unitholder's own liquidity.

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

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of COIF Charities Property Fund (the 'fund'):

- give a true and fair view of the financial position of the Fund as at 31 December 2023 and of the net revenue and the net capital losses on the property of the Fund for the year ended 31 December 2023;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the Charities Act 2011.

We have audited the financial statements which comprise:

- the statement of total return;
- the statement of change in net assets attributable to unitholders;
- the balance sheet;
- the cash flow statement;
- the distribution tables; and
- the summary of significant accounting policies, judgements and estimates applicable to the fund and individual notes.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Material uncertainty related to going concern
We draw attention to note 1[a] in the financial statements, which indicates that the COIF Board, in conjunction with the Manager is currently considering moving from a Common Investment Fund (CIF) to a Charity Authorised Investment Fund (CAIF) a new investment vehicle which has specifically been designed by the FCA for the charity sector, to which the assets and liabilities of this entity would be transferred. Any such change of structure and transfer would be communicated to unitholders and require Trustee approval. The timetable is still to be determined following the completion of Board due diligence, together with regulatory and Trustee approvals. Should this be approved, on completion of the transfer the Fund would cease operations and be wound up. As stated in note 1[a], these events or conditions, along with the other matters as set forth in note 1[a], indicate that a material uncertainty exists that may cast significant doubt on the Fund's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our responsibilities and the responsibilities of the Board and Manager with respect to going concern are described in the relevant sections of this report.

Other information
The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are 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 trustees either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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

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

We obtained an understanding of the legal and regulatory framework that the fund operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the Charities Act; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the fund's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team including relevant internal specialists such as real estate industry and IT specialist regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the fair value of investment properties may be misstated due to inappropriate judgements being used to determine their fair value and this represents the most likely opportunity for fraud. In response we have: involved our real estate valuation specialists to assess the applied valuation methodologies; tested the key inputs and assumptions that are used to derive the fair value of a sample of investment properties and agreed investment holdings to independent confirmations.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing correspondence with the Charity Commission.

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

Report on other legal and regulatory requirements

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Deloitte LLP
Statutory Auditor
Glasgow
18 June 2024

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

REPORT OF THE VALUERS

Dear Sirs,

The COIF Charities Property Fund
Property Valuation as at 31 December 2023

In accordance with your instructions received from the COIF Charities Property Fund ("the Fund") to value all the property investments owned by the Fund ("the Properties") on a monthly basis, we have valued the Properties as at 31 December 2023. The valuation has been prepared on the basis of Fair Value, in accordance with the current edition of the RICS valuation-Professional Standards published by the Royal Institution of Chartered Surveyors (RICS). We understand that our valuation is required for unit pricing and financial statements purposes. Our report is addressed to the Fund.

We are of the opinion that the aggregate Fair Values of all the properties held by the Fund as at 31 December 2023 is **£496,225,000 (Four Hundred and Ninety Six Million Two Hundred and Twenty Five Thousand Pounds).**

Details of the basis of our valuation and the individual properties are set out in our valuation report, dated 3rd January 2024.

Yours faithfully,

Knight Frank LLP
18 June 2024

SUMMARY RISK INDICATOR

The UK PRIIPs Regulation requirements set out detailed guidelines for the calculation of the risk ratings of products to be portrayed through a summary risk indicator. It is intended to be a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because the Manager is not able to pay you. The risk of the product may be significantly higher than the one represented in the summary risk indicator where the product is not held for the recommended holding period (RHP).

1	2	**3**	4	5	6	7

Lower risk — Higher risk

The Manager has classified the COIF Charities Property Fund as 3 out of 7, which is a medium-low risk class. This rates the potential losses from future performance at a medium-low level and poor market conditions are unlikely to impact the Manager's capacity to pay you. This classification is not guaranteed and may change over time and may not be a reliable indication of the future risk profile of the Fund. The lowest category does not mean risk free.

The summary risk indicator assumes investment in the Fund for the RHP of five years. The actual risk can vary significantly if you cash in at an early stage and you may get back less.

Property is recognised as an illiquid asset and is thus most suited to long-term investment. Whilst investors can request redemption at any time, all such requests are subject to a minimum notice period of 180 days. The Fund normally deals on the last business day of each month. The Fund does not include any protection from future market performance, so you could lose some or all your investment.

Property can be an illiquid asset class and the Manager may also defer redemptions on a dealing day if it considers there is insufficient liquidity in the Fund to meet redemptions and, in agreement with the Trustee, may suspend the buying and selling of units in the Fund due to stressed market conditions. Where an investor makes an application to sell or cancel units the Manager may, with the agreement of the Trustee, arrange to transfer scheme property out of the Fund in place of payment in cash for the units, but only if it is judged by the Manager not to disadvantage the remaining investors.

A more detailed description of risk factors that apply to this product is set out in the latest Scheme Particulars, which is available on the Manager's website or by request.

* With effect from 17 October 2022 and until further notice, the Manager has exercised its discretion (as provided for in the Scheme Particulars) to extend the redemption notice period from 90 days to 180 days.

COMPARATIVE TABLE

Change in net assets per Unit

	Income Units				
	Year to 31.12.2023 pence per Unit	Year to 31.12.2022 pence per Unit	Year to 31.12.2021 pence per Unit	Year to 31.12.2020 pence per Unit	Year to 31.12.2019 pence per Unit
Opening net asset value per Unit	**110.15**	125.21	109.41	115.45	119.05
Return before operating charges	**(0.00)**	(8.05)	22.69	0.97	4.51
Operating charges	**(1.17)**	(1.41)	(1.29)	(1.81)	(1.71)
Return after operating charges	**(1.17)**	(9.46)	21.40	(0.84)	2.80
Distributions on income Units	**(5.60)**	(5.60)	(5.60)	(5.20)	(6.40)
Closing net asset value per Unit****	**103.38**	110.15	125.21	109.41	115.45
Performance					
Return after charges**	**(1.06%)**	(7.56%)	19.56%	(0.73%)	2.35%
Gross yield***	**5.27%**	4.94%	4.35%	4.62%	5.40%
Other information					
Closing net asset value (£'000)	**534,866**	582,571	652,497	584,485	615,605
Closing number of Units	**517,361,961**	528,870,157	521,122,608	534,234,121	533,227,472
Prices (pence per Unit)					
Highest Unit price (offer)	**112.60**	141.12	129.98	119.63	122.09
Lowest Unit price (bid)	**102.79**	109.62	109.68	107.50	114.71
Annual management charge*	**0.65%**	0.66%	0.64%	0.65%	0.65%
Other costs	**0.06%**	0.04%	0.06%	0.04%	0.06%
Total Global Expense Ratio (TGER)	**0.71%**	0.70%	0.70%	0.69%	0.71%
Real Estate Expense Ratio (REER)	**0.35%**	0.43%	0.48%	0.88%	0.73%
Total charges figure	**1.06%**	1.13%	1.18%	1.57%	1.44%

All of the above figures are ratios set against the Fund's average net assets calculated over the year.

* The Annual Management Charge is 0.65% (plus VAT, which is recoverable) of the net asset value of the Fund and is charged to capital. The month end valuation forms the basis of the charge for the following month.

** The return after charges has been calculated in accordance with the Statement of Recommended Practices' prescribed calculation methodology. This is for financial statement reporting purposes only and may differ from the Fund's performance disclosed on the Report of the Fund Manager.

*** The gross yield is calculated as the sum of the gross of tax, net of expenses income distributed over the year expressed as a percentage of the offer price at the year end.

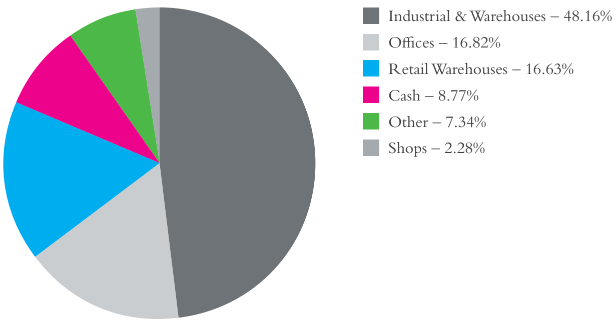
**** Closing net asset value per Unit shown is calculated using the closing net assets attributable to Unitholders as presented in these financial statements. This is for financial statements reporting purposes only and may differ from the Unit price disclosed in the Report of the Property Manager.

PORTFOLIO ANALYSIS
at 31 December 2023

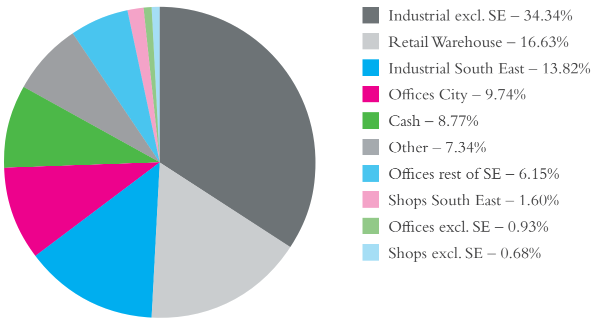
Top Ten Property Holdings

Property		% of Property portfolio
London, 80 Cannon Street	Offices/Shops	8.93
Mendlesham, Norwich Road	Industrial	7.17
Brighton, Lewes Road	Retail Warehouses	6.75
Ashby-de-la-Zouch, 15 Coalfield Way	Industrial	6.09
Lutterworth, 3320, Hunter Boulevard	Industrial	4.45
Bath, Rossiter Road	Other	4.23
Bristol, 1400-1600 Aztec West Business	Industrial	4.01
Lutterworth, 3220, Wellington Parkway	Industrial	3.94
Solihull, Solihull Gate Retail Park	Retail Warehouses	3.30
Bow, 7 St Andrew's Way	Industrial	3.28

Asset by type



Regional and sector analysis



Portfolio turnover

	Year to 31.12.2023	Year to 31.12.2022
Portfolio turnover rate	0.10%	3.90%

The portfolio turnover rates are calculated by the total sales or purchases (excluding cash), whichever is less, divided by average monthly assets during the year.

PORTFOLIO STATEMENT
at 31 December 2023

Properties

Total in valuation ranges	£'000	% of Fund
Valued between £0 and £5m 12 properties	32,425	6.06%
Valued between £5 and £10m 18 properties	125,850	23.53%
Valued between £10 and £25m 12 properties	194,350	36.34%
Valued at over £25m 4 properties	143,600	26.85%
Net other assets	38,641	7.22%
Net assets	**534,866**	**100.00%**

Ownership of the Fund
at 31 December 2023

	Number of investors	Number of Units in issue	% of Units in issue
Less than 1%	630	134,913,667	26.08
1% or greater but less than 2%	2	15,002,507	2.90
2% or greater but less than 4%	4	57,678,726	11.15
4% or greater but less than 8%	1	27,505,089	5.31
Greater than 8%	3	282,261,972	54.56
	640	517,361,961	100.00
Held by the largest investor	1	142,307,735	27.49
Held by top 5 investors	5	328,734,812	63.54

The COIF Charities Investment Fund has a holding of 87,745,739 units – 16.96% (2022: 87,072,475 – 16.46%), the COIF Charities Ethical Investment Fund has a holding of 52,296,639 units – 10.11% (2022: 52,249,775 – 9.88%) and the The CBF Church of England Property Fund has a holding of 142,307,735 units – 27.49% (2022: 146,463,811 – 27.69%).

PROPERTY PORTFOLIO
at 31 December 2023

Standard Retail

Property	Tenant	Term/ from	Lease review period	Next* review	Rent £	Mkt value range £m
71-72 East St CHICHESTER	Oliver Bonas Ltd	10 yrs 21.10.22	5 yrs	2027/ 2032	120,000	0–5
	Victoria Davey	1 yr 24.02.21	0 yrs	2022	13,200	
76/77 East Street CHICHESTER	C & J Clark International Ltd	5 yrs 20.11.22	5 yrs	2027	120,000	0–5
	Vacant					
	World of Solar Ltd	5 yrs 14.07.22	0 yrs	2027	30,000	
8-9 High Street STRATFORD UPON AVON	Waterstones Booksellers Ltd	10 yrs 29.03.19	5 yrs	2024/ 2029	112,500	0–5
	Queensway Coffee House Ltd	10 yrs 14.06.17	5 yrs	2027	80,000	
18-20 Boscaven Street TRURO	Vacant					0–5

* Date in the past indicates that the review has not been settled yet.

PROPERTY PORTFOLIO
at 31 December 2023

Offices

Property	Tenant	Term/ from	Lease review period	Next* review	Rent £	Mkt value range £m
Aspect 32 ABERDEEN	Vacant					0–5
5 Arlington Square BRACKNELL	Virgin Media Ltd	10 yrs 06.02.12	3 yrs	2018/ 2022	2,645	5–10
	Verizon UK Ltd	3 yrs 30.01.08	0 yrs	2011	2,637	
	Skillsoft UK Ltd	10 yrs 15.03.19	5 yrs	2024/ 2029	215,604	
	Centrilogic Ltd	24 yrs 26.04.18	5 yrs	2022/ 2042	88,592	
	Centrilogic Ltd	25 yrs 01.12.17	5 yrs	2022/ 2042	289,124	

* Date in the past indicates that the review has not been settled yet.

PROPERTY PORTFOLIO
at 31 December 2023

Offices *(continued)*

Property	Tenant	Term/ from	Lease review period	Next* review	Rent £	Mkt value range £m
Wellbrook Court CAMBRIDGE	Streets Whitmarsh Sterland LLP	15 yrs 08.08.16	5 yrs	2026/ 2031	93,295	5-10
	Chase De Vere IFA Group Plc	10 yrs 10.05.13	0 yrs	2023	53,328	
	Tescan-UK Ltd	5 yrs 20.12.18	0 yrs	2023	52,480	
	Henry Riley LLP	10 yrs 03.06.13	5 yrs	2018/ 2023	40,986	
	Element Materials Technology Ltd	11 yrs 24.06.16	0 yrs	2027	105,000	
	Aecom Ltd	5 yrs 24.07.22	0 yrs	2027	135,768	
	MM Wealth Ltd	10 yrs 22.03.18	5 yrs	2023/ 2028	91,500	
	Atkins Ltd	5 yrs 26.06.21	0 yrs	2026	106,667	
	EA First Ltd	10 yrs 23.08.21	5 yrs	2026/ 2031	53,910	
	EA First Ltd	10 yrs 23.08.21	1 yr	2022/ 2031	2,500	
4 Smith Way LEICESTER	Selfridges Retail Ltd	15 yrs 28.10.15	5 yrs	2025/ 2030	340,992	0-5

* Date in the past indicates that the review has not been settled yet.

PROPERTY PORTFOLIO
at 31 December 2023

Offices *(continued)*

Property	Tenant	Term/ from	Lease review period	Next* review	Rent £	Mkt value range £m
1-3 College Hill LONDON	Hedley Foundation Ltd	10 yrs 25.03.18	5 yrs	2023/ 2028	62,820	10–25
	Woodalls Design LLP	12 yrs 12.08.14	0 yrs	2026	122,640	
	Interfax Europe Ltd	5 yrs 08.03.19	0 yrs	2024	90,000	
	MRA Search Ltd	4 yrs 22.12.20	0 yrs	2024	69,120	
	Woodalls Design LLP	10 yrs 08.03.16	0 yrs	2026	59,995	
	Woodalls Design LLP	8 yrs 02.11.18	0 yrs	2026	58,435	
	Thames Estate Commercial Ltd	20 yrs 18.08.21	0 yrs	2041	95,000	
	Warren Lefton	2 yrs 28.10.22	0 yrs	2024	3,750	
	Interior Motives International Ltd	10 yrs 01.07.14	0 yrs	2024	60,000	
	Capital Asset Management	10 yrs 04.07.14	0 yrs	2024	116,000	
	MRA Search Ltd	5 yrs 18.01.19	0 yrs	2024	132,720	
	Kinney Green LLP	5 yrs 11.02.19	0 yrs	2024	61,468	

* Date in the past indicates that the review has not been settled yet.

PROPERTY PORTFOLIO
at 31 December 2023

Offices *(continued)*

Property	Tenant	Term/ from	Lease review period	Next* review	Rent £	Mkt value range £m
Windsor Road MAIDENHEAD	Vacant					5–10
AECOM House ST ALBANS	Vacant					5–10
1 Roundwood Avenue LONDON	Kuehne & Nagel Ltd	15 yrs 16.07.15	5 yrs	2025/ 2030	285,110	0–5
	Kuehne & Nagel Ltd	8 yrs 15.07.22	3 yrs	2025/ 2030	151,000	

* Date in the past indicates that the review has not been settled yet.

PROPERTY PORTFOLIO
at 31 December 2023

Offices/Shops

Property	Tenant	Term/ from	Lease review period	Next* review	Rent £	Mkt value range £m
80 Cannon Street LONDON	Boots UK Ltd	10 yrs 16.10.19	5 yrs	2024/ 2029	350,000	>25
	Cabot Credit Management Ltd	10 yrs 01.03.19	5 yrs	2024/ 2029	255,024	
	International Registries (UK) Ltd	10 yrs 25.03.20	5 yrs	2025/ 2030	306,393	
	Expleo Technology UK Ltd	5 yrs 01.06.23	0 yrs	2028	312,260	
	Calypso Technology Ltd	10 yrs 13.05.22	5 yrs	2027/ 2032	307,500	
	Structuretone Ltd	10 yrs 23.06.23	5 yrs	2028/ 2033	316,103	
	The Penny Group Ltd	5 yrs 29.03.22	0 yrs	2027	314,375	
	Freight Investor Services Ltd	5 yrs 10.11.20	0 yrs	2025	384,000	
	Nexthink Ltd	5 yrs 15.06.23	0 yrs	2028	256,007	
	Risq Reserch Ltd	5 yrs 24.09.23	0 yrs	2028	138,695	
	Silver Development and Construction	5 yrs 27.10.23	0 yrs	2028	156,961	

* Date in the past indicates that the review has not been settled yet.

PROPERTY PORTFOLIO
at 31 December 2023

Industrial

Property	Tenant	Term/ from	Lease review period	Next* review	Rent £	Mkt value range £m
Wallace Facility Badentoy ABERDEEN	Biffa Waste Services Ltd	22 yrs 12.12.22	5 yrs	2027/ 2044	460,000	5–10
15 Coalfield Way ASHBY-DE-LA-ZOUCH	EV Downton Ltd	10 yrs 01.01.21	5 yrs	2026/ 2031	1,425,400	>25
Drum Industrial Estate BIRTLEY	Rettig (UK) Ltd	99 yrs 17.10.69	14 yrs	2025/ 2068	669,814	10–25
1400–1600 Aztec West Business BRISTOL	Aardman Holdings Ltd	6 yrs 25.03.19	3 yrs	2025	95,272	10–25
	Aardman Holdings Ltd	6 yrs 25.03.19	3 yrs	2025	269,130	
	Aardman Holdings Ltd	6 yrs 25.03.19	3 yrs	2025	63,820	
	Aardman Holdings Ltd	6 yrs 25.03.19	3 yrs	2025	62,820	
	Aardman Holdings Ltd	2 yrs 03.12.23	0 yrs	2025	78,000	
	Aardman Holdings Ltd	6 yrs 25.03.19	3 yrs	2025	68,958	
	Spandex Ltd	10 yrs 22.01.21	5 yrs	2026/ 2031	621,650	
Batchelor Road CARDIFF	Giant Booker Ltd	25 yrs 28.02.05	5 yrs	2020/ 2030	652,923	5–10

* Date in the past indicates that the review has not been settled yet.

PROPERTY PORTFOLIO
at 31 December 2023

Industrial *(continued)*

Property	Tenant	Term/ from	Lease review period	Next* review	Rent £	Mkt value range £m
Manor Gate Manor Royal CRAWLEY	Rossetts (UK) Ltd	10 yrs 26.11.18	5 yrs	2023/ 2028	132,000	10–25
	Creative Technology Ltd	5 yrs 13.09.21	0 yrs	2026	650,000	
Unit 61 Finlan Road MANCHESTER	Romac Logistics Ltd	16 yrs 03.12.20	5 yrs	2026/ 2036	454,010	5–10
Unit B Telford Point KETTERING	Greggs Plc	5 yrs 01.12.23	0 yrs	2028	575,000	5–10
7 St Andrews Way LONDON	Vacant					10–25
3320 Hunter Boulevard Lutterworth	VWR International Ltd	35 yrs 10.10.94	5 yrs	2024/ 2029	1,044,223	10–25
3220 Wellington Parkway Lutterworth	DHL Supply Chain Ltd	10 yrs 25.12.14	0 yrs	2024	980,699	10–25
Unit G1 Touchet Hall Road MANCHESTER	Vacant					5–10
Norwich Road MENDLESHAM	CEVA Logistics Ltd	20 yrs 20.05.10	1 yr	2030	2,370,117	>25
Brackmills Industrial Estate NORTHAMPTON	C Butt Ltd	10 yrs 24.06.14	5 yrs	2024	635,000	10–25

* Date in the past indicates that the review has not been settled yet.

PROPERTY PORTFOLIO
at 31 December 2023

Industrial *(continued)*

Property	Tenant	Term/ from	Lease review period	Next* review	Rent £	Mkt value range £m
Dimensions House NORTHAMPTON	Harvey Nichols and Company Ltd	10 yrs 11.03.15	5 yrs	2025	597,223	10–25
100 Pavilion Drive NORTHAMPTON	Intelligent Processing Solutions Ltd	15 yrs 25.12.10	0 yrs	2025	1,350,000	10–25
35 Willis Way Industrial POOLE	Sunseeker International Ltd	10 yrs 19.12.22	5 yrs	2027/ 2032	480,000	5–10
Units 1& 2 Longfield Road TUNBRIDGE WELLS	SH Muffet Ltd	10 yrs 24.03.20	5 yrs	2025/ 2030	124,613	5–10
	R.H. Claydon Ltd	10 yrs 04.10.21	5 yrs	2026/ 2031	247,490	

* Date in the past indicates that the review has not been settled yet.

PROPERTY PORTFOLIO
at 31 December 2023

Retail Warehouses

Property	Tenant	Term/ from	Lease review period	Next* review	Rent £	Mkt value range £m
Lewes Road BRIGHTON	Aldi Stores Ltd	20 yrs 18.06.18	5 yrs	2028/ 2038	456,655	>25
	Hobbycraft Trading Ltd	15 yrs 25.05.18	0 yrs	2023/ 2033	236,828	
	Halfords Ltd	10 yrs 04.09.17	5 yrs	2027	240,000	
	B&Q Plc	15 yrs 04.08.16	5 yrs	2021/ 2031	945,765	
	Costa Ltd	10 yrs 04.06.18	5 yrs	2023/ 2028	67,500	
Silver Street BROWNHILLS	B & M Retail Ltd	31 yrs 30.04.03	5 yrs	2023/ 2034	309,100	0–5
Chorley Retail Park CHORLEY	Wickes Building Supplies Ltd	25 yrs 24.10.00	5 yrs	2015/ 2025	330,000	5–10
	DP Realty Ltd t/a Domino's Pizza	25 yrs 24.10.00	5 yrs	2025	17,500	
	Subway Realty Ltd	10 yrs 26.01.15	5 yrs	2020/ 2025	20,000	
	BJR Foods Ltd t/a KFC	10 yrs 24.10.20	5 yrs	2025/ 2030	67,575	
	Diets 2 Go Ltd	10 yrs 10.10.19	5 yrs	2024/ 2029	18,000	
	Sunseeker Beds Ltd	10 yrs 23.09.19	5 yrs	2024/ 2029	25,000	

* Date in the past indicates that the review has not been settled yet.

PROPERTY PORTFOLIO
at 31 December 2023

Retail Warehouses *(continued)*

Property	Tenant	Term/ from	Lease review period	Next* review	Rent £	Mkt value range £m
Unit 8 DERBY	Boots UK Ltd	20 yrs 24.06.04	5 yrs	2019/ 2024	227,988	0–5
Holmer Road HEREFORD	B & M Retail Ltd	10 yrs 11.02.16	0 yrs	2026	210,000	5–10
	Dreams Plc	6 yrs 12.12.18	0 yrs	2024	75,000	
	Iceland Food Ltd	10 yrs 11.12.21	5 yrs	2026/ 2031	166,306	
	Jacmar Developments Ltd	125 yrs 25.12.93	0 yrs	2118	0	
Wellingborough Road NORTHAMPTON	B & M Retail Ltd	30 yrs 11.10.12	5 yrs	2027/ 2042	405,810	5–10
St Peter's Way NORTHAMPTON	TJX UK	24 yrs 24.06.03	5 yrs	2027	285,000	0–5
Solihull Gate Retail Road SOLIHULL	Wren Kitchens Ltd	10 yrs 24.03.20	5 yrs	2028/ 2030	268,750	10–25
	Sofology Ltd	4 yrs 08.04.23	0 yrs	2027	410,000	
	Tapi Carpets & Floors Ltd	10 yrs 24.07.17	5 yrs	2022/ 2027	330,693	
	Furniture Village Ltd	20 yrs 04.05.07	15 yrs	2022/ 2027	325,000	

* Date in the past indicates that the review has not been settled yet.

PROPERTY PORTFOLIO
at 31 December 2023

Retail Warehouses *(continued)*

Property	Tenant	Term/ from	Lease review period	Next* review	Rent £	Mkt value range £m
230-234 Winchester Road SOUTHAMPTON	CDS (Superstores International) Ltd	32 yrs 28.11.03	5 yrs	2023/ 2035	431,037	5-10
Units 1 & 2 TAMWORTH	TJX UK Ltd	20 yrs 25.12.02	5 yrs	2022	379,300	5-10
	Pure Gym Ltd	15 yrs 11.05.23	5 yrs	2028/ 2038	220,000	

* Date in the past indicates that the review has not been settled yet.

PROPERTY PORTFOLIO
at 31 December 2023

Other

Property	Tenant	Term/ from	Lease review period	Next* review	Rent £	Mkt value range £m
Rossiter Road BATH	Travelodge Hotel Ltd	40 yrs 02.06.08	1 yr	2023/ 2048	1,464,328	10-25
Rutherford Way CHELTENHAM	Broughtons of Cheltenham Ltd	15 yrs 11.01.11	5 yrs	2021/ 2026	261,500	5-10
	Car Shops Ltd	15 yrs 04.11.21	5 yrs	2026/ 2036	155,000	
Europe Way COCKERMOUTH	Travelodge Hotel Ltd	32 yrs 14.12.07	5 yrs	2027/ 2039	223,563	0-5
100 West Street GLASGOW	Eastern Western Motor Group Ltd	25 yrs 27.07.01	5 yrs	2026	331,847	0-5
Newark Road PETERBOROUGH	Sportsdirect.com Retail Ltd	5 yrs 21.10.22	5 yrs	2027	650,000	5-10

* Date in the past indicates that the review has not been settled yet.

STATEMENT OF TOTAL RETURN
for the year ended 31 December 2023

	Note	31.12.2023 £'000	31.12.2023 £'000	31.12.2022 £'000	31.12.2022 £'000
Income					
Net capital (losses)/gains	*2*		**(33,217)**		(83,838)
Revenue	*3*	**37,538**		36,547	
Expenses	*4*	**(10,637)**		(10,554)	
Net revenue before taxation		**26,901**		25,993	
Taxation	*5*	**–**		–	
Net revenue after taxation			**26,901**		25,993
Total return before distributions			**(6,316)**		(57,845)
Finance costs: distributions	*6*		**(29,520)**		(31,467)
Change in net assets attributable to Unitholders from investment activities			**(35,836)**		(89,312)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS
for the year ended 31 December 2023

	31.12.2023 £'000	31.12.2023 £'000	31.12.2022 £'000	31.12.2022 £'000
Opening net assets attributable to Unitholders		**582,571**		652,497
Amounts receivable on issue of Units	**5,307**		78,576	
Amounts payable on cancellation of Units	**(17,176)**		(59,190)	
		(11,869)		19,386
Change in net assets attributable to Unitholders from investment activities		**(35,836)**		(89,312)
Closing net assets attributable to Unitholders		**534,866**		582,571

The notes on pages 38 to 50 and distribution table on page 51 form part of these financial statements.

BALANCE SHEET
at 31 December 2023

	Note	31.12.2023 £'000	31.12.2023 £'000	31.12.2022 £'000	31.12.2022 £'000
ASSETS					
Investment property	7		**490,309**		568,897
Debtors	*8*	**9,824**		11,220	
Cash and bank balances	*9*	**11,986**		7,547	
Cash equivalents	*9*	**38,918**		8,912	
Total other assets			**60,728**		27,679
Total assets			**551,037**		596,576
LIABILITIES					
Creditors	*10*	**9,040**		6,759	
Distribution payable on income units		**7,131**		7,246	
Total liabilities			**16,171**		14,005
Net assets attributable to Unitholders			**534,866**		582,571

The financial statements on pages 35 to 37 have been approved and authorised for issue by the Board.

Approved on behalf of the Board
18 June 2024

N Morecroft, Chair

The notes on pages 38 to 50 and distribution table on page 51 form part of these financial statements.

CASH FLOW STATEMENT
for the year ended 31 December 2023

	Year ended 31.12.2023		Year ended 31.12.2022	
	£'000	£'000	£'000	£'000
Net revenue for the year		**26,901**		25,993
Adjustments for				
Realised loss on disposal of property due to unamortised Rent Free Provision write off		**(848)**		(145)
Net cash inflow from operating activities				
Increase/(decrease) in accrued revenue	**1,495**		(349)	
(Decrease)/increase in debtors	**(99)**		235	
(Decrease)/increase in creditors	**2,281**		(402)	
		3,677		(516)
Net cash outflow from investment activities				
Capital expenses	**(3,636)**		(2,050)	
Payments to acquire investments	**(563)**		(45,405)	
Proceeds on disposal of investments	**50,417**		28,298	
		46,218		(19,157)
Net cash outflow from financing activities				
Issue of Units	**5,307**		78,576	
Cancellation of Units	**(17,176)**		(59,190)	
Revenue deducted on cancellation of Units	**(130)**		(597)	
Revenue received on issue of Units	**50**		473	
Distributions paid	**(29,554)**		(31,234)	
		(41,503)		(11,972)
Increase/(decrease) in cash and cash equivalent		**34,445**		(5,797)
Opening balance		**16,459**		22,256
Closing balance		**50,904**		16,459

The notes on pages 38 to 50 and distribution table on page 51 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2023

1. **Accounting policies**

(a) Basis of preparation

The financial statements have been prepared on a going concern basis, in compliance with United Kingdom Generally Accepted Accounting Practice including FRS 102 "The Financial Reporting Standard applicable in the United Kingdom and Ireland" and The Charities Act 2011 and AIFM in so far as applicable.

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

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

Should this be approved, on completion of the transfer, the COIF Charities Property Fund would cease operations and be wound up, with the investors' existing holdings in the existing CIF being replaced with their equivalent in the new CAIF. These events and circumstances therefore represent a material uncertainty which may cast significant doubt on the Fund's ability to continue as a going concern.

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

(b) Revenue recognition

Rental revenue, interest on bank deposits and the COIF Charities Deposit Fund balances are accrued on a daily basis.

In accordance with FRS102, the rent free period is recognised over the entire term of the lease.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2023

1. Accounting policies ***(continued)***

(c) Expenses

During the period the Manager's periodic charge, paid to the Manager, was taken to the capital of the Fund. The fee is based on a fixed percentage of the value of the Fund, which is currently 0.65% p.a. plus VAT. Each month, the value at the end of the previous month is taken to calculate the fee due. This fee covers the provision of investment services and other expenses incurred by the Manager. The Fund receives a management fee rebate credited to the revenue of the Fund for its deposits in the COIF Charities Deposit Fund, where management fees are charged to revenue. The Trustee fee, audit, legal, insurance, property valuation fees and direct property fees are charged separately to the revenue of the Fund before distribution.

(d) Distributions

Distributions are calculated and declared quarterly at the end of March, June, September and December. The distribution is based upon undistributed income received and receivable to each quarterly date less any costs and expenses for the period and subject to flows to or from the Income Reserve Account. The Fund manages an income reserve to even out the fluctuations in the revenue received, which arise over the years.

Currently we aim to at least maintain the annual distribution payment, subject to the amount of income being generated by the property portfolio and property investment and occupier market conditions. Proposed annual income distributions and quarterly payment plans are approved by the CCLA Investment Committee annually.

(e) Capitalised costs

All costs associated with buying, selling and development of properties are charged to capital. Other expenses, including the property valuation fees payable to Knight Frank LLP are deducted from revenue.

(f) Basis of valuation

Freehold and leasehold properties are valued at each monthly dealing date and at quarterend dates onthe basis of Fair Value in accordance with the current RICS Appraisal and Valuation Standards (The Red Book) as advised by Knight Frank LLP, Chartered Surveyors. In addition, the Manager reviews these values at each intervening month end and makes adjustments where necessary. Additions to the portfolio are valued externally after acquisition. Please refer to note 20 for more details.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2023

1. **Accounting policies** ***(continued)***

(g) Unit pricing policy

The Fund follows AREF's fund pricing recommendations and is priced at the Standard NAV. Any adjustments around the Mid Price (Bid/Offer) would follow AREF's fund pricing recommendations as required.

(h) 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 investment s held in sterling that are readily convertible to a known amount of cash;
– are subject to an insignidicant risk of change in value; are
– provide a return no greated than the rate of a three month high quality Government bond.

2. **Net capital gains/(losses)**

	Year ended 31.12.2023 £'000	Year ended 31.12.2022 £'000
The net capital gains during the period comprise:		
Unrealised (losses)/gains on investment properties*	**(28,143)**	(74,145)
Realised (losses)/gains on investment properties*	**(5,074)**	(9,693)
(Losses)/gains on investment properties	**(33,217)**	(83,838)

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

3. **Revenue**

	Year ended 31.12.2023 £'000	Year ended 31.12.2022 £'000
Rental revenue	**31,811**	33,617
Service charge income	**3,939**	1,663
Other revenue	**649**	611
Interest on the COIF Charities Deposit Fund	**827**	574
Bank Interest	**312**	82
	37,538	36,547

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2023

4. Expenses

	Year ended 31.12.2023 £'000	Year ended 31.12.2022 £'000
i) Property expenses:		
Service charge expenses	**4,940**	2,473
Property ground rent and empty rates	**696**	1,544
Property legal and professional fees	**692**	753
Other property outgoings	**174**	533
Property repairs and maintenance	**37**	222
	6,539	5,525

Included in other property outgoings, amongst other property related costs, there is a reversal of bad debt provision of £797,000 (2022:£783,000).

	Year ended 31.12.2023 £'000	Year ended 31.12.2022 £'000
ii) Management expenses:		
Manager's periodic charge – see note 1(c)	**3,735**	4,749
Property valuation fees	**114**	127
Legal fees	**87**	28
Miscellaneous expenses	**36**	20
Trustee fee	**36**	36
Investment Property Database fee	**50**	49
Audit fee	**58**	77
Insurance fee	**10**	19
Bank charges	**2**	2
Manager's periodic charge rebate – see note 1(c)*	**(30)**	(78)
	4,098	5,029
Total expenses	**10,637**	10,554

The above expenses include irrecoverable VAT where applicable.

Audit fee, as billed by Deloitte LLP was £81,000 for the year ended 31.12.2023 (31.12.2022 – £76,960).

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2023

5. Taxation

The Fund has charitable status and is not liable to UK tax on gains arising on disposal of investments or on income from investments. Distributions are paid and reinvested revenue credited gross to unitholders on the basis that all appropriate UK taxation has been both reclaimed and recovered.

6. Distributions

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

	Year ended 31.12.2023 £'000	Year ended 31.12.2022 £'000
31 March – interim distribution	**8,116**	8,678
30 June – interim distribution	**7,116**	7,712
30 September – interim distribution	**7,077**	7,708
31 December – final distribution	**7,131**	7,245
	29,440	31,343
Add: revenue deducted on cancellation of Units	**130**	597
Deduct: revenue received on issue of Units	**(50)**	(473)
Net distribution for the year	**29,520**	31,467
Net revenue for the year	**26,901**	25,993
Transfer from/(to) the income reserve – see note 11	**(789)**	725
Undistributed	**(327)**	–
Manager's periodic charge paid by capital	**3,735**	4,749
Net distribution for the year	**29,520**	31,467
Interest for the year	**–**	–
Total finance costs	**29,520**	31,467

Details of the distribution per unit are set out in the distribution table on page 51.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2023

7. Property investments

	Year ended 31.12.2023 £'000	Year ended 31.12.2022 £'000
Market value at the start of the year	**568,897**	633,433
Acquisitions at cost	**563**	45,405
Unrealised gains on revaluation	**(28,143)**	(74,145)
Capitalised expenses	**3,636**	2,050
Disposals at cost	**(54,644)**	(37,846)
Market value at the end of the year	**490,309**	568,897
Historical cost at the end of the year	**507,662**	558,107

8. Debtors

	Year ended 31.12.2023 £'000	Year ended 31.12.2022 £'000
Property incentives	**5,917**	6,304
Rents receivable	**2,859**	4,354
Property payments recoverable	**572**	342
Prepayments	**403**	106
Other debtors	**73**	114
	9,824	11,220

9. Cash and bank balances and Cash equivalents

	Year ended 31.12.2023 £'000	Year ended 31.12.2022 £'000
Cash in the COIF Charities Deposit Fund	**38,912**	8,912
Cash equivalents	**6**	–
Cash at bank	**11,986**	7,547
Total cash	**50,904**	16,459

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2023

10. Creditors

	Year ended 31.12.2023 £'000	Year ended 31.12.2022 £'000
Rent received in advance	**4,173**	4,557
VAT payable	**708**	783
Other creditors	**3,262**	–
Accrued expenses	**897**	1,419
	9,040	6,759

11. Income reserve

The income reserve, accumulated out of revenue, is used to smooth fluctuations in the revenue received in the Fund. The income reserve is included in the total capital value of the Fund attributable to income unitholders.

	Year ended 31.12.2023 £'000	Year ended 31.12.2022 £'000
Income reserve at the start of the year	**5,819**	6,389
Equalisation of the income reserve	**(134)**	155
Transfer (from)/to the income reserve	**789**	(725)
Income reserve at the end of the period	**6,474**	5,819

12. Financial instruments

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

Market price risk

Whilst the value of direct property is independently valued on a monthly basis, such valuations are a matter of the valuer's opinion and such values may or may not be achieved on disposal.

The Fund seeks to minimise the impact of these risks by maintaining a well diversified property portfolio, both geographically and by sector.

At 31 December 2023, if the price of investment property held by the Fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to unitholders would increase or decrease by approximately £24.52m (2022: £28.44m).

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2023

12. Financial instruments ***(continued)***

Financial assets

All cash and bank balances earn interest at a floating rate based on either SONIA or base rate. Debtors and creditors of the Fund do not pay or receive interest.

Financial liabilities

Under the Scheme of the Fund, the Manager may borrow a maximum of 25% of the value of the property of the Fund to assist with investing in, improvements to, or the managing of property and the short-term financing of, or meeting payments to be made out of the Fund.

Liquidity risk

By their very nature, direct properties are less liquid and therefore the investments may not be readily realisable. The Fund's liquidity may be affected by unexpected or high levels of redemptions. Under these circumstances, a period of notice of up to six months may be imposed for the redemption of units. The units are realisable only on each monthly dealing day.

Currency risk

There is no exposure to foreign currency fluctuations as all investments, revenue and short term debtors and creditors are denominated in sterling.

Interest rate risk

The majority of the Fund's assets are direct property investments and therefore do not pay interest or have maturity dates. As a consequence, changes in interest rates are not directly affecting the Fund, however, interest rates changes may have an indirect affecting the Fund, however, interest rates changes may have an indirect effect on property valuations, due to the change in cost for mortgages and the effect on rental levels generally.

* With effect from 17 October 2022 and until further notice, the Manager has exercised its discretion (as provided for in the Scheme Particulars) to extend the redemption notice period from 90 days to 6 months.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2023

12. **Financial instruments** *(continued)*

The total exposure at 31 December 2023 was:

Currency	Floating rate financial assets* £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
Sterling	**50,904**	**–**	**500,133**	**551,037**

Currency	Floating rate financial liabilities* £'000	Fixed rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
Sterling	**–**	**–**	**16,171**	**16,171**

The total exposure at 31 December 2022 was:

Currency	Floating rate financial assets* £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
Sterling	16,459	–	580,117	596,576

Currency	Floating rate financial liabilities* £'000	Fixed rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
Sterling	–	–	14,005	14,005

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

All financial liabilities are due to be settled within one year or on demand. There were no derivatives held by the Fund during the year or prior year.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2023

13. Commitments and contingent liabilities

There were no commitments or contingent liabilities as at 31 December 2023 (31.12.2022 £nil).

14. Board remuneration

The Board members receive no remuneration from the COIF Charity Funds. Ms J. Hobart was the director of the Manager's parent company, CCLA Investment Management Limited (CCLA IM) throughout the year. Ms Hobart received remuneration from CCLA IM, which is disclosed in CCLA IM's financial statements.

15. Related party transactions

The Manager's periodic charge is paid to the Manager and the Trustee fee is paid to HSBC Bank plc, both related parties to the Fund. The amounts paid in respect of these charges are disclosed in note 4.

At 31 December 2023 the balance due to HSBC Bank plc was as set out below:

	31.12.2023 £'000	31.12.2022 £'000
Custody and transaction fees	**6**	9

At 31 December 2023, a cash balance of £38,911,876 (31.12.2022, £8,911,876) was held in 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.

The COIF Charities Investment Fund has a holding of 87,745,739 units – 16.96% (2022: 87,072,475 – 16.46%), the COIF Charities Ethical Investment Fund has a holding of 52,296,639 units – 10.05% (2022: 52,249,775 – 9.88%) and the The CBF Church of England Property Fund has a holding of 142,307,735 units – 27.34% (2022: 146,463,811 – 27.69%).

The CBF Church of England Property Fund is also controlled and managed by CCLA IM.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2023

16. Turnover of Units

The number and net asset value of units in the Fund issued, cancelled and transferred in the year ended 31 December 2023 and 31 December 2022 are as follows:

31 December 2023	**Number of Units**	**Value £'000**	**% of NAV**
Units issued	4,818,915	5,307	0.99%
Units cancelled	16,327,111	17,176	3.21%

31 December 2022	Number of Units	Value £'000	% of NAV
Units issued	60,002,227	78,576	13.49%
Units cancelled	52,254,678	59,190	10.16%

At 31 December 2023 there were redemption notices outstanding of £65.98m (31 December 2022, nil).

17. Reconciliation of net cash flow to movement in cash balances

	Year ended 31.12.2023 £'000	Year ended 31.12.2022 £'000
Net cash at beginning of the year	**16,459**	22,256
Movement in cash during the year	**34,445**	(5,797)
Net cash at the end of the year	**50,904**	16,459

18. Unitholders' funds – reconciliation of Units

	Year ended 31.12.2023	Year ended 31.12.2022
Opening number of Units at beginning of year	**528,870,157**	521,122,608
Units issued in period	**4,818,915**	60,002,227
Units cancelled in period	**(16,327,111)**	(52,254,678)
Closing number of units at end of period	**517,361,961**	528,870,157

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2023

19. Fair value of financial assets and financial liabilities

In respect of financial assets and liabilities other than investments, there is no material difference between their value, as shown on the balance sheet, and fair value.

Investment property is held at fair value. The fair value of all investments are derived from valuation techniques using non-observable data.

The Fund's freehold and leasehold investment properties were independently valued by Knight Frank LLP, Chartered Surveyors, acting in the capacity of external valuers. As described in note 1(f), the valuation was to fair value in accordance with the Professional Standards of The Royal Institution of Chartered Surveyors (the 'Red Book'). Knight Frank LLP's opinions were primarily derived from comparable recent market transactions on arm's length terms. The Manager discusses these valuations with Knight Frank LLP at least once every quarter to assess them.

The fair value of investment property 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.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2023

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

For the year ended 31 December 2023:

Category	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investment property	–	–	490,309	490,309
	–	–	490,309	490,309

For the year ended 31 December 2022:

Category	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investment property	–	–	568,897	568,897
	–	–	568,897	568,897

DISTRIBUTION TABLE
for the year ended 31 December 2023

Period ended	Date paid/payable	Dividends paid/payable pence per Unit 2023	2022
Income Units			
31 March	31 May	**1.53**	1.53
30 June	31 August	**1.35**	1.35
30 September	30 November	**1.35**	1.35
31 December	28 February	**1.37**	1.37
		5.60	5.60

STATEMENT OF BOARD, TRUSTEE DEPOSITARY AND MANAGER RESPONSIBILITIES
for the year ended 31 December 2023

Responsibilities of the Board
The Board shall comply with the duty of care when exercising its powers and discharging its duties under the Scheme, as follows:

- making and revising the written statement of the investment objectives of the Fund and ensuring that details of such investment objectives will be included in the Scheme Particulars;
- determining the criteria and methods for evaluating the performance of the Fund;
- granting prior written approval to the Manager should the Manager wish to enter into certain types of investment or a specific course of borrowing on behalf of the Fund;
- appointing the Auditor of the Fund and agreeing their terms of engagement;
- making an annual report on the discharge of the Board's responsibilities;
- determining the rate of remuneration of the Trustee and the Manager in accordance with the Scheme and the Scheme Particulars;
- applying to the Commission for an order to discharge the Trustee from the provisions of the Scheme and an order to appoint a new Trustee of the provisions of the Scheme;
- making representations to the Trustee on the winding up of the Fund, provided that any Board member who has any interests in the Trustee or the Manager shall not participate in the Board's discussions and decisions on the matter and shall not be counted in the quorum necessary for the transaction of such business; and
- informing the Charity Commission promptly and in writing if the Board is not satisfied at any time as to the compliance of the Trustee or the Manager with the Scheme or the Scheme Particulars.

Under the Alternative Investment Fund Managers Directive ("AIFMD"), the Board has certain additional responsibilities including:

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

STATEMENT OF BOARD, TRUSTEE DEPOSITARY AND MANAGER RESPONSIBILITIES
for the year ended 31 December 2023

Responsibilities of the Trustee

The Trustee shall be responsible for those aspects of the administration and management of the Fund and its property which are specified in the Scheme. The Trustee shall comply with the duty of care when exercising its powers and discharging its duties. The following are the duties and powers of the Trustee:

- the supervision and oversight of the Manager's compliance with the Scheme and the Scheme Particulars. In particular, the Trustee shall be satisfied that the Manager is competently exercising its powers and discharging its duties under the Scheme, and that the Manager is maintaining adequate and proper records;

- the appointment, supervision and oversight of any Registrar or other delegate which it has appointed in accordance with the Scheme;

- the custody and control of the property of the Fund and the collection of all income due to the Fund;

- the creation and cancellation of units as instructed by the Manager (except where the Scheme Particulars permit the Trustee to disregard those instructions);

- making distributions or allocations to Participating Charities in proportion to their respective units in the property of the Fund;

- the making of an annual report on the discharge of its responsibilities for the management of the Fund; and

- winding up the Fund.

The Trustee shall take all steps and execute all documents as are necessary to secure that instructions given to it by the Manager are carried out as to the exercise of rights (including voting rights) attaching to the ownership of property of the Fund and that the purchases and sales of investments for or of the Fund are properly completed.

The Trustee shall maintain such records as are necessary to enable it to comply with this Scheme and with section 130 of the Charities Act and to demonstrate that such compliance has been achieved.

STATEMENT OF BOARD, TRUSTEE DEPOSITARY AND MANAGER RESPONSIBILITIES

for the year ended 31 December 2023

Responsibilities of the Manager

The Manager shall be responsible for those aspects of the administration and management of the Fund and its property which are specified in the Scheme. The Manager shall comply with the duty of care when exercising its powers and discharging its duties under this Scheme. The following are the duties and powers of the Manager:

- instructing the Trustee with respect to the creation and cancellation of units;
- managing the investments of the Fund in conformity with the investment objectives made by the Board;
- ensuring that regular valuations of the property of the Fund are carried out and to ensure that the units are correctly priced;
- the creation and revision of the Scheme Particulars;
- maintenance of a daily record of units purchased or sold on behalf of the Trustee;
- the creation of all records in respect of the Fund, available for inspection by the Trustee;
- the preparation of reports and accounts in respect of every accounting period; and
- the supervision and oversight of any appointed delegate.

The Manager of the Fund is required by the Scheme to:

- prepare and submit to the Commission a statement of accounts and annual report complying with the requirements of the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008, as amended or replaced from time to time; and
- prepare and submit to the Commission a halfyearly report and accounts for the Fund made up to the date of the interim balance sheet.

The Manager is required to:

- select suitable accounting policies that are appropriate for the Fund and apply them on a consistent basis;
- comply with the disclosure requirements of the Statement of Recommended Practice relating to Authorised Funds issued by the Investment Association in May 2014 (amended in June 2017);
- follow generally accepted accounting principles and applicable accounting standards;
- keep proper accounting records which enable the Manager to demonstrate that the Financial Statements as prepared comply with the above requirements;

STATEMENT OF BOARD, TRUSTEE DEPOSITARY AND MANAGER RESPONSIBILITIES
for the year ended 31 December 2023

- make judgments and estimates that are reasonable and prudent; and

- prepare the Financial Statements on the basis that the Fund will continue in operation, unless it is inappropriate to presume this.

The Trustee has appointed the Manager to act as Registrar to the Fund.

Under AIFMD, the Manager has certain additional responsibilities including, ensuring compliance with the applicable provisions of AIFMD and that any delegation by the Manager is in accordance with AIFMD.

Should the Manager wish to retire, the Manager can only be discharged from its duties under the Scheme following the appointment of a replacement Manager who is eligible under AIFMD to act as Manager of the Fund.

STATEMENT OF THE DEPOSITARY RESPONSIBILITIES AND REPORT OF THE DEPOSITARY
for the year ended 31 December 2023

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;

- any consideration relating to transactions in the Fund's assets is remitted to the Fund within the usual time limits;

- that the Fund's income is applied in accordance with the Regulations; and

- the instructions of the Alternative Investment Fund Manager ("the AIFM") are carried out (unless they conflict with the Regulations).

The Depositary also has a duty to take reasonable care to ensure that the Fund is managed in accordance with the Scheme Particulars in relation to the investment and borrowing powers applicable to the Fund.

Report of the Depositary to the Unitholders of the following fund ("the Scheme") COIF Charities Property Fund for the Period Ended 31 December 2023.
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.

Yours sincerely

Claire Sewell
18 June 2024

AIFMD DISCLOSURES (UNAUDITED)

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

Recharges for these services of CCLA Investment Management Limited to the Manager are levied in respect of CCLA Investment Management Limited's year ending on 31 March each year. The recharge for the year to 31 March 2023 was £35,420,000. A recharge of £34,700,000 was levied in the year to 31 March 2022.

The average number of full time equivalent staff of CCLA Investment Management Limited, including temporary staff, for the year ended 31 March 2023 was 175 (year ended 31 March 2022: 155).

During the year ended 31 December 2023 and the prior year , remuneration was paid to CCLA Investment Management Limited staff as shown below. Totals for staff whose actions have material impact on the risk profile of the Fund ("identified staff") are shown separately.

	Year to 31 December 2023		
	Fixed remuneration £'000	**Variable remuneration £'000**	**Total £'000**
Identified staff	**1,035**	**1,415**	**2,450**
Other staff	**17,678**	**7,659**	**25,337**
Total	**18,713**	**9,074**	**27,787**

	Year to 31 December 2022		
	Fixed remuneration £'000	Variable remuneration £'000	Total £'000
Identified staff	1,032	1,373	2,405
Other staff	15,365	7,029	22,394
Total	16,397	8,402	24,799

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

(Charity Registration No. 1093084)

DIRECTORY

Board
N Morecroft, ASIP (Chair)
K Corrigan, FCCA
J Hobart, MA
C Ong, MBA
A Richmond, MA (Hons) ASIP –
appointed on 14 October 2023
K Shenton – appointed on 6 June 2023
S Wiltshire – appointed on 14 October 2023

Secretary
J Fox

Manager, Alternative Investment Fund Manager (AIFM)
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
Registered Office Address:
One Angel Lane
London EC4R 3AB
Telephone: 0207 489 6000
Client Service:
Freephone: 0800 022 3505
Email: clientservices@ccla.co.uk
www.ccla.co.uk

Executive Directors of the Manager
E Sheldon (Chief Operating Officer)
D Sloper (Chief Executive Officer)
J Berens – appointed on 9 February 2023

Non-Executive Directors of the Manager
J Bailie (Chair) – appointed 29 August 2023
N Mcleod-Clarke – appointed on 29 August 2023
A Roughead – resigned on 29 August 2023
J Jesty – resigned on 29 August 2023
R Horlick – resigned on 6 October 2023

Head of Property
P Hannam

Company Secretary
J Fox

Chief Risk Officer
JP Lim

Head of Sustainability
J Corah

Third Party Advisors
External Property Valuer
Knight Frank
55 Baker Street
London W1U 8AN

Managing Agent
BNP Paribas Real Estate
5 Aldermanbury Square
London EC2V 7BP

ESG Adviser
Evora Global Limited
3rd Floor, Birrane House, 2-4 Southwark Street
London SE1 1TQ

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
Hogan Lovells International LLP
Atlantic House, Holborn Viaduct,
London EC1A 2FG

DLA Piper Scotland LLP
Collins House
Rutland Square
Edinburgh EH1 2AA

Independent Auditor
Deloitte
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ABOUT CCLA

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

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

CCLA

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