# COIF CHARITIES PROPERTY FUND
# ANNUAL REPORT AND
# FINANCIAL STATEMENTS

Year ended 31 December 2022

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 2022**

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 Fund Managers Limited (the Manager) as 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 day to day management of the Fund is delegated to the Manager by the Board which is also responsible for appointing the Manager, setting the investment policy and determining the criteria and methods of evaluating the performance. 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.

**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.

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.

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

The biggest challenge at the moment in 2023 is preserving long term real value in an high inflation environment and the Board have this at the forefront of their thinking when discussing investment policy with the Manager.

## REPORT OF THE BOARD
**for the year ended 31 December 2022**

**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.

**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 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).

## REPORT OF THE BOARD
**for the year ended 31 December 2022**

**Responsible investment**
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 the BNP Paribas Real Estate sustainability function, 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.

N Morecroft
Chair
6 June 2023

## REPORT OF THE INVESTMENT MANAGER
**for the year ended 31 December 2022**

**Performance**
The Fund's total return performance record compared to the benchmark over periods to 31 December 2022 is shown in the table below. It is encouraging that despite the range of conditions and challenges faced over these periods, the Fund has outperformed the benchmark in each of the last five years on a discrete year analysis.

Investment returns for the latest 12-month period as a whole disguise a more volatile experience beneath the headlines. Total returns remained positive through the first half of the year, albeit at a slower pace than the strong gains made in 2021. However, an expected slowdown in property investment market conditions was already in evidence in the second quarter of the year and this developed into a reversal in valuation movements which accelerated from the third quarter through to the end of the year. Driven by the rapidly rising yield environment rather than weakening occupier market conditions, the speed of the decline recorded by MSCI property indices was unprecedented.

**Annualised total capital and income return**

| To 31 December 2022 | 1 year % | 3 years % p.a. | 5 years % p.a. | 10 years % p.a. |
|---|---|---|---|---|
| **Performance against benchmark (after expenses)** | | | | |
| **COIF Charities Property Fund** | -7.86 | +3.15 | +4.08 | +7.31 |
| Benchmark | -8.72 | +2.16 | +3.12 | +6.82 |

Source: MSCI AREF UK Quarterly Property Fund Digest Q4 2022.
Past performance is not a reliable indicator of future results.

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

In relative terms, the Fund generated total returns of -7.86% vs the benchmark -8.72%. This performance was helped by the portfolio's bias towards industrial warehouse property, where occupier market fundamentals are most attractive, and also to a retail warehouse sub-sector that continues to offer good value. The Fund has continued to reduce the allocation to a difficult office sub-sector, disposing of some risky assets where vacancy and structural challenges weigh on performance and management activity, given stock specific risk is high. Returns were also supported by the above average and reliable income return, especially when the more variable capital return is uncertain and limited. The Fund had one of the highest yields in the MSCI/AREF UK Quarterly Property Funds Benchmark.

## REPORT OF THE INVESTMENT MANAGER
**for the year ended 31 December 2022**

Fast changing conditions for capital markets were also reflected in the movement of the Fund's Unit price which started the year at 126.40p and peaked at 137.44p before falling back to 111.35p at the year-end, giving a capital only return for Unitholders over twelve-months of -11.9%. Whilst conditions for income generation also remain challenging, in contrast to capital returns, occupational markets have been more resilient, and the Fund's income is relatively stable. Post-pandemic rent collection issues are now largely resolved, whilst asset and lease event management provide opportunities to improve letting terms and support portfolio income. Interest earned on the Fund's cash holding is also now higher. Quarterly income payments to Unitholders over the year have been maintained in 2022 at 5.6p per Unit, following the same quarterly income distribution plan that was paid during 2021. These payments maintain a superior income return for Unitholders, which at 4.4% over the twelve-months, compares to the Benchmark income return of 3.0%. Looking ahead the Fund's income distribution yield based on the year-end unit price is 5.0%, and the equivalent MSCI Benchmark yield is 3.4%. Given the uncertainty and current weakness of capital returns, this underlines the strategic importance of the more reliable and attractive income return as a firm foundation for long term performance.

Net inflows to the Fund were positive at £19 million, made up of £79 million inflows and redemptions, mainly in the final quarter of the year, of £60 million. However, valuation movement resulted in the size of the Fund falling during the year as a whole, ending the period at £583m compared to £652m at the beginning of 2022. Fund liquidity ended the year at 2.3% of the net asset value, lower than the opening position, due to net investment in the property portfolio over the course of the year. In the best interests of all unitholders, the notice period for redemption requests was extended from three months to 180 days At the year-end, outstanding redemption requests subject to the notice period amounted to £5.3m.

**Strategy**

Strategy is focused on the sector's fundamentals and property asset selection is key to seeking a competitive performance advantage and controlling risk. The challenges faced during 2023 highlight the importance of remaining focused on the fundamentals over the long term and the investment strategy, despite impact of events and any short-term volatility experienced. The Fund's investment objectives combine a relatively high income yield plus some capital appreciation over the longer term, an approach in tune with the property sector's long term performance characteristics and the investment needs of the charity investor group. Asset quality is a focus and properties are actively managed as part of a bottom-up dominated investment process. Gearing is not used to boost investment returns.

Structurally, the Fund is well diversified, but a dynamic approach is adopted to ensure it remains well placed to navigate short term

## REPORT OF THE INVESTMENT MANAGER
**for the year ended 31 December 2022**

sector and asset difficulties whilst also maximising the benefits to be gained from long term trends. Within more traditional property sub-sectors, biases towards industrial and warehouse property, and away from a difficult retail sector, should continue to support income and total returns longer term. The negative impact of ongoing structural change in the office sector requires careful monitoring at the asset level and stock specific risk is high. Further, reflecting a wider range of challenges, exposure to offices has been reduced, and further asset sales will feature, whilst continued investment in this sub-sector needs to be clearly defined and will be asset focused. Meanwhile properties in the 'Other' category, which includes a disparate range of alternative property uses such as hotels, gyms and car showroom offer attractive income features, long term income streams and assured growth mechanisms, but are subject to the covenant strength provided by the tenant.

**Market review**

For commercial property, as for other major asset classes, outcomes in 2022 were dominated by the higher bond yields that resulted from central bank efforts to control the rate of inflation. Through the course of the year fast rising yields, and the prospects of interest rates being higher for longer, combined with the rising threat of economic weakness to come undermined the relative attraction of the property sector as an investment class. With bond yields already elevated from late September, political and financial turmoil precipitated by the UK government's so-called mini-budget exacerbated the volatility, creating a liquidity crisis that would spill over into the property investment sector and weigh heavily on sentiment and property investment during the final quarter of the year. Market participants, both buyers and sellers, paused activity in the short term to consider the impact and the outlook, leaving property valuations further exposed to forced selling. Market transaction volume produced a weak final quarter at £7.3bn, the lowest since Q2 2020, and down 41% on Q3-2022. Investment volume for the year was £54bn, a respectable total in the circumstances, but only driven by a strong first half of the year. This compares with £57bn in 2021. The drop in investment was evident across most sectors, but offices saw the largest decline, and overall, the evidence produced was sufficient to confirm the scale of the slide in prices and for valuers to accelerate the pace of the falls in property investment valuations. As a result, property valuations decreased at an unprecedented speed and the prospects for market liquidity diminished materially.

Difficult as conditions have become, however, this is not the breakdown in market confidence experienced in 2008. Instead, we have witnessed a UK property investment sector and capital markets seeking to recalibrate to a rapidly changing financial backdrop, whilst enduring weaker market conditions and a challenging outlook.

This was a significant adjustment driven by yield shift rather than weakening occupier demand and all property sub-sectors have been affected, led by

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**for the year ended 31 December 2022**

industrial warehouse assets. However, despite the scale of the disruption, the liquidity challenge and the unease over pricing, higher level sector trends and drivers remained largely unchanged. Whilst the economic outlook has darkened, and is a concern, for now occupier markets remain supportive. The relatively strong run of activity in the industrial and logistics sector has been maintained through the year and even in Q3-22 the sector bucked the overall trend remaining high at a volume of over £3bn, albeit at significantly lower asset prices reflecting the sharp outward movement in yields, and volume only dropped back in Q4-22. The industrial sector saw the most drastic outward movement in yields during the last quarter, shifting out by 131bps to a two-year high at just over 5%.

The MSCI Quarterly Capital Index for All Property declined by -13.0% over Q4-22 alone, and in total by -17.5% since the end Q2-22 peak. Reflecting the strong growth recorded in the first half of 2022, the Capital Index fell by -12.8% over the whole year. Capital valuation movements, both on the way up and now more aggressively on the way down, is driven by industrial warehouse property, -19.2% in Q4-22, -25.8% since Q2-22 and -17.4% over the whole year. The MSCI Quarterly Total Return Index for 2022, including income, was recorded -9.1%. In contrast to capital performance volatility, MSCI Quarterly Rental Growth Indices are relatively stable during the 2022 but have slowed ending the year at +3.8%. Rental growth is still almost entirely driven by industrial property, where rents are estimated to have risen by 10.4% this year.

**Activity**
It was a busy year for the Fund in terms of investment and management actions, guided by our ambitions in many areas including objectives to build and secure asset income streams, consolidate portfolio asset quality and the strategic shape of the portfolio to remain well placed for the sector challenges we anticipate in the outlook. A sales plan is in hand which will help to rebuild cash levels while also resulting in a portfolio more aligned to our preferred profile.

Over the course of the year, seven asset sales were completed aimed at reducing stock specific risk, in particular in more vulnerable sub-sectors, and to achieve strategic adjustments in the shape of the portfolio. A theme of the sales is the disposal of predominantly older, secondary offices with weaker performance prospects, reinforcing a re-allocation away from office vacancy, obsolescence and viability risks and bearing in mind demanding future ESG requirements. At the same time our investment activities demonstrate a further strengthening in the weighting of the portfolio to sub-sectors offering more positive fundamentals, including modern industrial/warehouse facilities where the outlook and occupier markets remain supportive of investment, despite the risk of yield rises and the resultant valuation correction required over the shorter term.

The investment property added to the portfolio is a well specified industrial distribution warehouse located in Ashby-de-la-Zouch within the East Midlands ‘Golden Triangle’ for logistics.

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Disposals completed during the year include three small office properties in Glasgow, with two located on West Regent Street in the City Centre and one outside the city centre on the Strathclyde Business Park, Bellshill. The assets represented a longer-term risk in terms of vacancy and void expenses whilst the re-letting prospects were poor. Also sold in Scotland was a small shop property in Dunfermline.

More material was the disposal of a further two office holdings located in the south-east region, which also threatened vacancy, obsolescence and viability risk off current valuations. Active management had secured attractive exit prices by demonstrating redevelopment prospects for higher value uses; distribution warehousing in the case of a recently vacant office building in Crawley; and residential in the case of a soon to be vacant office site in Chertsey. We also sold a vacant retail warehouse property located in Salford, Greater Manchester, and in total the exit prices amounted to over £28m. By the end of the year the exposure of the Fund to a challenging and uncertain office sub-sector was reduced from 26% to 21%, whilst the allocation to industrial warehousing has increased to 47%.

Despite the challenges currently faced in UK property capital markets, occupier markets remain more supportive and stable. As a result, management activities continue to function relatively well and deliver positive results. The Fund has recorded a very high volume of management activity, achieving much success during the year with its lettings and rent reviews, supporting Fund income. Management actions help to improve asset quality and investment grade, and also in preparing some assets for disposal, although the portfolio void rate fluctuates over time as new letting are achieved and new vacancy is recorded.

In the period, many leasing examples include a lease renewal with Creative Technology Ltd for the industrial warehouse facility at Manor Royal in Crawley which secured a £650,000 pa rental income stream for a 10-year period. Similarly, a lease renewal producing £197,200 pa was completed for the office holding at Lewis Court Leicester, again with a 10-year lease. A reversionary lease was signed for the ground floor of Unit 3 at Wellbrook Court, an office park investment in Cambridge, commanding a rent of £93,000 pa. Schuh and C&J Clark extended their occupation of shops in Truro and Chichester at rents of £90,000 and £120,000 pa respectively, whilst also in Chichester, Oliver Bonas committed to a 10-year lease also paying a rent of £120,000 pa. Important lettings of previously vacant units were achieved for the retail warehouse at Cribbs Causeway Bristol that was let to Tesla motors on a 10-year lease producing a new income stream of £400,000 pa, and in Aberdeen our industrial warehouse at Badentoy was let for 21 years to Biffa Waste Services producing an annual rent of £460,000 with CPI index rent reviews.

At the Fund's largest holding, a multi-let office building on Cannon Street in the City of London where a refurbishment and re-letting project is ongoing, two previously vacant floors have been let on new leases. The fifth floor

## REPORT OF THE INVESTMENT MANAGER
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achieved a new rent of £ 307,500 pa for a 10-year term, whilst the seventh floor was let at a rent of £314,375 pa on a 5-year term. Positive rent review results are also being achieved although such activity is almost entirely confined to the industrial warehouse sector, where market rental value growth has been both material and reliable. At Mendlesham, an annual rental uplift agreement with the tenant, CEVA Logistics produces, a pre-agreed rate of 2.5% pa, increasing the annual rent to £2,312,309 pa, and in Kettering, a Unit on the Telford Way Industrial estate achieved a 24% increase in the rent on a market basis, growing from £357,832 pa to £445,000 pa. The Travelodge hotel holding in Bath benefits from an RPI based review mechanism each year and recorded and 11% increase to £1,464,328 pa.

However, demonstrating the growing risks within the office sector, all of this success is partly counter balanced by new vacancy. The lease expired on the office building in St Albans, let to AECOM Ltd with a £545,127 pa income stream, which is now vacant, with a refurbishment project in hand. Also now vacant is the Part Ground Floor accommodation at Stockley Park where a £227,887 rental income from World Vision International ended. Overall, the portfolio investment vacancy rate ended the period lower at 9.4%. Reflecting some planned vacancy, for example at Braywick House in Maidenhead to facilitate an office to residential redevelopment project, the development vacancy rate is 4.2%. The MSCI Monthly Index investment void rate is 9.9% and total reversionary potential from voids is 19.6%, indicating higher development vacancy in this index notably in the office sector.

Most fundamentally, rent collection rates are now more stable and a statutory arbitration process introduced by the UK Government within the Commercial Rent (Coronavirus) Act 2022 has been helpful in driving progress to resolve outstanding rent arrears. Only one tenant, Waterstones, made an application to the arbitration scheme, but an agreement was reached providing full repayment of the arrears. Landlords are now also able to use normal Commercial Rent Arrears Recovery practices and statutory demands to recover unpaid rents and this is also yielding results. The Fund continues to achieve a relatively high level of income return, offering a distribution yield comfortably ahead of the MSCI Benchmark yield.

**Our approach to ESG in managing the property portfolio**

Responsible property investment, sustainability, impact and ESG considerations are at the core of the Fund's management approach and the investment process. This includes improving existing holdings, investing in new assets offering supportive ESG credentials and specifications, and disposing of assets that do not meet standards and improvement is not viable. This approach to sales and acquisitions is evident in our activities during the year, and reflected in a strategic re-allocation away from the office sub-sector, which is exposed to significant obsolescence risk and the demands of the ESG challenge, especially those connected to energy efficiency and carbon reduction ambitions.

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Both factors are linked and represent a material risk that undermines viability off current valuations and therefore future income and investment returns. Five of the seven assets sold during the year were office holdings exposed to such risks and vacancy. The approach to purchases is also reflected in the one acquisition completed this year. The new acquisition in Ashby de la Zouch offered attractive and valuable ESG features, including an EPC "A" rating, the highest possible rating and demonstrates lower levels of CO2 emissions in its use compared to older properties, and a BREEAM Very Good rating, which can only be attained if several environmental targets are reached on construction. In addition to the environmental benefits, the tenant will enjoy lower energy bills and such ratings and features will future proof the asset value from large future capital expenditure requirements and support occupier market demand and rental value growth.

Importantly, the approach to ESG and investment policies in action are also reflected in the management of the asset during its life cycle.

Green lease clauses are a feature of the Fund's standard lease and the base for all letting negotiations, providing some control and access to data across a range of operational metrics, including for example energy and water consumption, and waste and recycling regimes. In the past, this ability has been denied across fully let investment property portfolios where day to day control of assets is passed to the tenants by the letting structure. This development is an improvement, enhancing control and cooperation with the tenant. Multi-let properties remain the principal examples in a portfolio where the Fund can retain a direct involvement in the management of the asset and implement planned improvements.

An example of such management initiatives during the year includes the letting of two floors at 80 Cannon Street which followed refurbishment works that included the installation of new energy efficient heat and cooling systems for each floor and all lighting was replaced with LED fittings and PIR sensors. Other improvements included the installation of new secondary double glazing, and these enhancements combined reduce energy costs for tenants. Also installed were low use water fixtures when refurbishing the WCs to reduce overall water use in the building. The overall outcome is the accommodation achieved an improvement in the EPC from E to a B and contributed to achieving an immediate letting once the improvement works had been completed.

### Outlook
The higher yield environment and other challenges are keeping a lid on sentiment, confidence and investor appetite into 2023, leaving risk biased to the downside. Some further yield expansion may be expected, but at a more modest pace than in the closing months of 2022. Evidence is already emerging of a material slowdown in the rate of valuation decline recorded during the month of January 2023.

## REPORT OF THE INVESTMENT MANAGER
**for the year ended 31 December 2022**

The property sector should start to provide opportunities for growth again once the financial backdrop settles and brings the conditions to support a more normal volume of transactional activity. However, the timing and scale of any subsequent recovery may be delayed and subdued, subject to the economic prospects and severity of any recession. Any material recovery in the performance outlook is unlikely to commence before the second half of 2023 or into 2024. In the meantime, property specific risk will be high and market transaction activity subdued but we expect to recover steadily in volume as the year progresses.

Some parts of the market will inevitably prove more resilient than others. Assets that are compromised by structural or environmental factors will continue to face significant adjustments to value to allow for viable repositioning or redevelopment. Industrial warehouse assets are anticipated to dominate market demand and remain a focus for investors as opportunities off lower prices re-emerge, along with an emphasis on the sub-sectors attractive investment and occupier market fundamentals.

Retail warehouse investment will also again offer good value and defensive characteristics, however, the prospects for rental value growth in the office and shops sub-sectors will remain exposed. Here, further weakness and the impact of structural change will continue to weigh on returns, threatening oversupply, increased obsolescence, and an uncertain outlook for demand, rents, and valuations.

Across the market the integration of ESG factors should also weigh on future performance prospects, notably for office assets that may become stranded and locked into long term vacancy, whilst the viability of future proofing action at current valuations is a concern given the scale and cost of the enhancements required for demanding office asset specifications and in meeting new occupier market requirements, or for the re-purposing and re-positioning of assets. For yield seeking investors, the retail sector will become more appealing as prices and rents become stable, but limited scope for rental growth and ongoing challenges in the consumer sector contribute to the uncertain prospects in the outlook for retail property.

Property is a long-term investment asset class, and investors need to look through the current uncertain backdrop for capital markets, remaining focused on the benefits of an allocation to UK real estate, the fundamentals, and high-level trends, both those that remain positive and also the longer-term challenges. Offering an attractive income yield and some rental value growth, investment and management activity can continue to support income, enhance asset quality and add value. Whilst it is positive for the outlook that the severe correction in capital values required was experienced unusually quickly, for the time being the outlook for capital returns will remain uncertain and limited, meaning income is more influential for returns. A return to positive capital growth will rely on some initial recovery in the pricing of industrial warehouse assets,

## REPORT OF THE INVESTMENT MANAGER
**for the year ended 31 December 2022**

whilst also looking ahead to an eventual pivot in interest rate policy as inflation is brought under control over 2023.

For the COIF Charities Property Fund, the foundation of a high-level of income yield, a high quality and well-placed portfolio structure with a pro-active approach to management activity, can all contribute to sustaining the attractive long term performance record. The Fund's approach and strategy remains guided by its philosophy and the longer-term investment objectives.

**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.

P Hannam
Head of Property
CCLA Investment Management Limited
6 June 2023

**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 six month in accordance with the provisions in the Scheme Particulars. 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 31st December 2022 and of the net revenue and the net capital losses on the property of the Fund for the year ended 31st December 2022;
- 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 requirements of the Charities Act 2011 and Alternative Investment Fund Managers Directive (AIFMD).

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**

*Conclusions relating to going concern*
In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Fund's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees 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.

*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.

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

***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.

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.

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

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
6 June 2023

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 2022**

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 2022. 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.

**Market conditions explanatory note:**
Following the government's 'mini-budget' of 23 September 2022 and subsequent financial turmoil, we draw your attention to a recent combination of global inflationary pressures, significant currency movements and higher borrowing costs, which may produce greater volatility in property markets over the short-to-medium term. It is apparent that consumer and investor behaviour can change quickly during periods of such heightened volatility. You should note that our opinions set out in this report are only valid as at the valuation date. Where appropriate, we would recommend that the valuation is closely monitored, as we continue to track how market participants respond to current market volatility.

We are of the opinion that the aggregate Fair Values of all the properties held by the Fund as at 31 December 2022 is **£575,200,000 (Five Hundred and Seventy Five Million Two Hundred Thousand Pounds)**.

Details of the basis of our valuation and the individual properties are set out in our valuation report, dated 25th January 2023.

Yours faithfully,

Knight Frank LLP
6 June 2023

## SUMMARY RISK INDICATOR

The UK PRIIPs Regulation requirements sets 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.

The Fund should be considered illiquid as it is not admitted to trading on a secondary market and no alternative liquidity facility is promoted by the Manager or a third party. 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 90 days*. The Fund normally deals on the last Tuesday and Thursday 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 6 months.

## COMPARATIVE TABLE

### Change in net assets per Unit

| | Income Units | | | | |
|---|---|---|---|---|---|
| | **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 | Year to 31.12.2018 pence per Unit |
| Opening net asset value per Unit | **125.21** | 109.41 | 115.45 | 119.05 | 116.05 |
| Return before operating charges | **(8.05)** | 22.69 | 0.97 | 4.51 | 10.90 |
| Operating charges | **(1.41)** | (1.29) | (1.81) | (1.71) | (1.50) |
| Return after operating charges | **(9.46)** | 21.40 | (0.84) | 2.80 | 9.40 |
| Distributions on income Units | **(5.60)** | (5.60) | (5.20) | (6.40) | (6.40) |
| Closing net asset value per Unit**** | **110.15** | 125.21 | 109.41 | 115.45 | 119.05 |
| **Performance** | | | | | |
| Return after charges** | **(7.56%)** | 19.56% | (0.73%) | 2.35% | 8.10% |
| Gross yield*** | **4.94%** | 4.35% | 4.62% | 5.40% | 5.33% |
| **Other information** | | | | | |
| Closing net asset value (£'000) | **582,571** | 652,497 | 584,485 | 615,605 | 597,632 |
| Closing number of Units | **528,870,157** | 521,122,608 | 534,234,121 | 533,227,472 | 502,012,088 |
| **Prices (pence per Unit)** | | | | | |
| Highest Unit price (offer) | **141.12** | 129.98 | 119.63 | 122.09 | 123.51 |
| Lowest Unit price (bid) | **109.62** | 109.68 | 107.50 | 114.71 | 115.25 |
| Annual management charge* | **0.66%** | 0.64% | 0.65% | 0.65% | 0.64% |
| Other fund level operating costs | **0.04%** | 0.06% | 0.04% | 0.06% | 0.08% |
| **Total Global Expense Ratio (TGER)** | **0.70%** | 0.70% | 0.69% | 0.71% | 0.72% |
| **Real Estate Expense Ratio (REER)** | **0.43%** | 0.48% | 0.88% | 0.73% | 0.57% |
| Total charges figure | **1.13%** | 1.18% | 1.57% | 1.44% | 1.29% |

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.

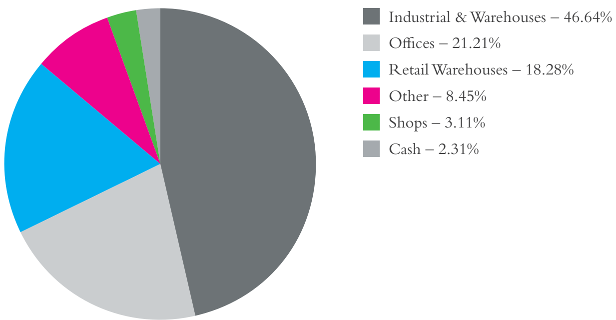
**** Closing net asset value per Unit shown is calculated using the closing net assets attributable to Unitholders as presented in these financial statements. This is for financial statements reporting purposes only and may differ from the Unit price disclosed in the Report of the Property Manager.

# PORTFOLIO ANALYSIS
at 31 December 2022

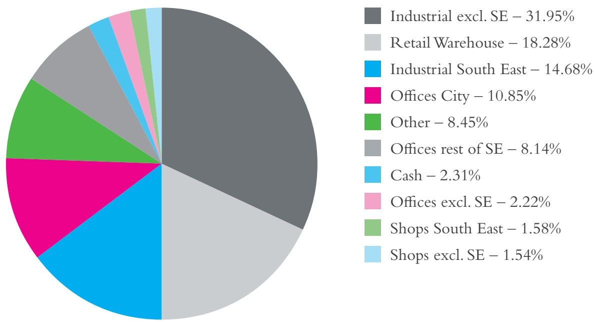
## Top Ten Property Holdings

| Property | | % of Fund |
|---|---|---|
| London, 80 Cannon Street | Offices/Shops | 9.13% |
| Mendlesham, Norwich Road | Industrial | 6.20% |
| Brighton, Lewes Road | Retail Warehouses | 5.85% |
| Ashby-de-la-Zouch, 15 Coalfield Way | Industrial | 4.75% |
| Lutterworth, 3320 Hunter Boulevard | Industrial | 3.71% |
| Bath, Rossiter Road | Other | 3.63% |
| Bristol, 1400-1600 Aztec West Business | Industrial | 3.49% |
| Lutterworth, 3220 Magna Park, Wellington Parkway | Industrial | 3.24% |
| Bracknell, 5 Arlington Square | Office | 3.08% |
| Northampton, 100 Pavilion Drive | Industrial | 2.99% |

## Asset by type




## Regional and sector analysis




## Portfolio turnover

| | Year to 31.12.2022 | Year to 31.12.2021 |
|---|---|---|
| Portfolio turnover rate | **3.90%** | 0.20% |

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 2022**

### Properties

| Total in valuation ranges | £'000 | % of Fund |
|---|---|---|
| Valued between £0 and £5m<br>17 properties | 45,325 | 7.78 |
| Valued between £5 and £10m<br>21 properties | 145,175 | 24.92 |
| Valued between £10 and £25m<br>15 properties | 235,600 | 40.44 |
| Valued at over £25m<br>4 properties | 149,100 | 25.59 |
| Net other assets | 7,371 | 1.27 |
| **Net assets** | **582,571** | **100.00** |

### Ownership of the Fund
**at 31 December 2022**

| | Number of investors | Number of Units in issue | % of Units in issue |
|---|---|---|---|
| Less than 1% | 659 | 141,159,751 | 26.69 |
| 1% or greater but less than 2% | 3 | 24,709,102 | 4.67 |
| 2% or greater but less than 4% | 3 | 49,690,154 | 9.40 |
| 4% or greater but less than 8% | 1 | 27,505,089 | 5.20 |
| Greater than 8% | 3 | 285,806,061 | 54.04 |
| | 669 | 528,870,157 | 100.00 |
| Held by the largest investor | 1 | 146,483,811 | 27.69 |
| Held by top 5 investors | 5 | 331,351,175 | 62.65 |

The COIF Charities Investment Fund has a holding of 87,072,475 units – 16.46% (2021: 90,997,544 – 17.46%), the COIF Charities Ethical Investment Fund has a holding of 52,249,775 units – 9.88% (2021: 57,059,214 (10.95%) and the The CBF Church of England Property Fund has a holding of 146,483,811 units – 27.69% (2021: 150,463,168 – 28.87%).

## PROPERTY PORTFOLIO
**at 31 December 2022**

### 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 |
| | World of Solar Ltd | 5 yrs 14.07.22 | 0 yrs | 2027 | 30,000 | |
| 131–135 Northumberland St NEWCASTLE UPON TYNE | Clydesdale Bank Plc | 5 yrs 25.06.19 | 5 yrs | 2024 | 124,275 | 0–5 |
| | Starbucks Coffee Company (UK) Ltd | 5 yrs 29.09.20 | 0 yrs | 2025 | 60,000 | |
| 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 21.08.19 | 5 yrs | 2027 | 80,000 | |
| 17 King Street TRURO | Schuh Ltd | 5 yrs 15.10.12 | 5 yrs | 2027 | 45,000 | 0–5 |
| 18 King Street TRURO | Your Phone Care Ltd | 15 yrs 30.06.15 | 5 yrs | 2025/ 2030 | 34,750 | 0–5 |
| 18–20 Boscaven Street TRURO | Wilco Retail Ltd | 15 yrs 06.01.17 | 5 yrs | 2022/ 2032 | 420,000 | 0–5 |

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

## PROPERTY PORTFOLIO
**at 31 December 2022**

### Offices

| Property | Tenant | Term/ from | Lease review period | Next* review | Rent £ | Mkt value range £m |
|---|---|---|---|---|---|---|
| Aspect 32 ABERDEEN | Technip UK Ltd | 12 yrs 07.02.11 | 5 yrs | 2023 | 575,235 | 0–5 |
| | Technip UK Ltd | 15 yrs 16.05.08 | 5 yrs | 2023 | 573,975 | |
| 5 Arlington Square BRACKNELL | Virgin Media Ltd | 10 yrs 06.02.12 | 3 yrs | 2018/ 2022 | 2,645 | 10–25 |
| | Verizon UK Ltd | 3 yrs 30.01.08 | 0 yrs | 2011 | 2,637 | |
| | Paratus AMC Ltd | 6 yrs 17.10.17 | 0 yrs | 2023 | 562,708 | |
| | Lloyds Register EMEA | 10 yrs 02.03.18 | 5 yrs | 2023/ 2028 | 574,560 | |
| | 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 2022**

**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 | 10–25 |
| | Chase De Vere IFA Group Plc | 10 yrs 10.05.13 | 0 yrs | 2023 | 43,000 | |
| | 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 |
| 3 Penman Way LEICESTER | Sytner Group Ltd | 22 yrs 08.04.19 | 5 yrs | 2024/ 2041 | 280,000 | 0–5 |
| 7 Lewis Court, LEICESTER | RSM UK Management Ltd | 10 yrs 29.09.22 | 5 yrs | 2027/ 2032 | 197,200 | 0–5 |

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

## PROPERTY PORTFOLIO
**at 31 December 2022**

**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 | 3 yrs 28.10.19 | 0 yrs | 2022 | 3,250 | |
| | 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 2022**

**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 | 5–10 |
| | 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 2022**

### 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 | |
| | Calypso Technology Ltd | 10 yrs 13.05.22 | 5 yrs | 2027/ 2032 | 307,500 | |
| | The Penny Group Ltd | 5 yrs 29.03.22 | 0 yrs | 2027 | 314,375 | |
| | Silver Development and Constuction | 10 yrs 11.11.13 | 5 yrs | 2023 | 238,619 | |
| | Freight Investor Services Ltd | 5 yrs 10.11.20 | 0 yrs | 2025 | 384,000 | |
| | Nexthink Ltd | 5 yrs 15.06.18 | 0 yrs | 2023 | 242,450 | |
| | ISQ Reserch Ltd | 5 yrs 21.09.18 | 0 yrs | 2023 | 128,467 | |
| | Netroadshadow Inc | 5 yrs 27.09.18 | 0 yrs | 2023 | 150,309 | |

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

## PROPERTY PORTFOLIO
**at 31 December 2022**

### 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 | 2022/ 2025 | 95,272 | 10-25 |
| | Aardman Holdings Ltd | 6 yrs 25.03.19 | 6 yrs | 2022/ 2025 | 269,130 | |
| | Aardman Holdings Ltd | 6 yrs 25.03.19 | 6 yrs | 2022/ 2025 | 63,820 | |
| | Aardman Holdings Ltd | 6 yrs 25.03.19 | 6 yrs | 2022/ 2025 | 62,820 | |
| | PJH Group Ltd | 10 yrs 03.12.18 | 5 yrs | 2023/ 2028 | 78,000 | |
| | Aardman Holdings Ltd | 6 yrs 25.03.19 | 3 yrs | 2022/ 2025 | 68,958 | |
| | Spandex Ltd | 10 yrs 22.01.21 | 0 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 2022**

**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 | 5 yrs | 2026 | 650,000 | |
| Unit 61 Finlan Road MANCHESTER | Romac Logistics Ltd | 16 yrs 03.12.20 | 5 yrs | 2026/ 2036 | 408,609 | 5–10 |
| Unit B Telford Point KETTERING | Knights of Old Ltd | 13 yrs 01.07.13 | 5 yrs | 2026 | 445,000 | 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 | Iron Mountain (UK) Plc | 15 yrs 07.01.13 | 5 yrs | 2023/ 2028 | 362,000 | 5–10 |
| Norwich Road MENDLESHAM | CEVA Logistics Ltd | 20 yrs 20.05.10 | 1 yrs | 2030 | 2,312,309 | >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 2022**

**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 | 121,000 | 5–10 |
| | R.H. Claydon Ltd | 10 yrs 04.10.21 | 5 yrs | 2026/ 2031 | 247,490 | |
| Javelin Park WEDNESBURY | Smiths News Trading Ltd | 5 yrs 03.07.20 | 0 yrs | 2025 | 285,000 | 5–10 |
| 6 Weston Avenue WEST THURROCK | Royal Mail Group Ltd | 11 yrs 31.12.19 | 5 yrs | 2025/ 2030 | 246,000 | 10–25 |
| | Cosentino UK Ltd | 10 yrs 06.11.12 | 5 yrs | 2022 | 179,616 | |

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

## PROPERTY PORTFOLIO
**at 31 December 2022**

### 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 | 2023/ 2038 | 400,000 | >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 | |
| Unit 5, Highwood Lane BRISTOL | Tesla Motors Ltd | 10 yrs 05.09.22 | 5 yrs | 2027/ 2032 | 400,000 | 5–10 |
| 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 2022

### Retail Warehouses *(continued)*

| Property | Tenant | Term/ from | Lease review period | Next* review | Rent £ | Mkt value range £m |
|---|---|---|---|---|---|---|
| Unit 8<br>DERBY | Boots UK Ltd | 20 yrs<br>12.11.04 | 5 yrs | 2019/<br>2024 | 227,988 | 0–5 |
| Holmer Road<br>HEREFORD | B & M Retail Ltd | 10 yrs<br>11.02.16 | 0 yrs | 2026 | 210,000 | 5–10 |
| | Dreams Plc | 6 yrs<br>03.07.94 | 0 yrs | 2024 | 75,000 | |
| | Iceland Food Ltd | 10 yrs<br>11.12.21 | 5 yrs | 2026/<br>2031 | 166,306 | |
| | Jacmar Developments Ltd | 125 yrs<br>25.12.93 | 0 yrs | 2118 | 0 | |
| Snowden Drive<br>MILTON KEYNES | Wickes Building Supplies Ltd | 25 yrs<br>03.10.03 | 5 yrs | 2023/<br>2028 | 638,750 | 5–10 |
| Wellingborough Road<br>NORTHAMPTON | B & M Retail Ltd | 30 yrs<br>11.10.12 | 5 yrs | 2027/<br>2042 | 405,810 | 5–10 |
| St Peter's Way<br>NORTHAMPTON | TJX UK | 24 yrs<br>24.06.03 | 5 yrs | 2027 | 285,000 | 0–5 |
| Portway Road<br>OLDBURY | Matalan Retail Ltd | 25 yrs<br>03.12.21 | 5 yrs | 2026 | 237,000 | 0–5 |
| Solihull Gate Retail Park<br>SOLIHULL | Wren Kitchens Ltd | 10 yrs<br>10.04.13 | 0 yrs | 2023 | 296,221 | 10–25 |
| | Sofology Ltd | 10 yrs<br>08.04.13 | 0 yrs | 2023 | 445,804 | |
| | Tapi Carpets & Floors Ltd | 10 yrs<br>24.07.17 | 5 yrs | 2022/<br>2027 | 330,693 | |
| | Furniture Village Ltd | 20 yrs<br>04.05.07 | 15 yrs | 2022/<br>2027 | 325,000 | |

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

## PROPERTY PORTFOLIO
**at 31 December 2022**

**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 |
| | Argos Ltd | 10 yrs 20.12.19 | 5 yrs | 2024/ 2029 | 247,894 | |

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

## PROPERTY PORTFOLIO
**at 31 December 2022**

### 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 yrs | 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 | 2022/ 2039 | 172,087 | 0–5 |
| Rennie Drive DARTFORD | Motorlines Holdings Ltd | 25 yrs 23.11.18 | 5 yrs | 2023/ 2043 | 400,000 | 5–10 |
| 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 | 312,500 | 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 2022**

| | Note | **Year ended 31.12.2022** £'000 | £'000 | Year ended 31.12.2021 £'000 | £'000 |
|---|---|---|---|---|---|
| Income | | | | | |
| Net capital (losses)/gains | *2* | | **(83,838)** | | 84,447 |
| Revenue | *3* | **36,547** | | 37,824 | |
| Expenses | *4* | **(10,554)** | | (10,395) | |
| Net revenue before taxation | | **25,993** | | 27,429 | |
| Taxation | *5* | **–** | | – | |
| Net revenue after taxation | | | **25,993** | | 27,429 |
| **Total return before distributions** | | | **(57,845)** | | 111,876 |
| Distributions | *6* | | **(31,467)** | | (29,548) |
| **Change in net assets attributable to Unitholders from investment activities** | | | **(89,312)** | | 82,328 |

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS
**for the year ended 31 December 2022**

| | **Year ended 31.12.2022** £'000 | £'000 | Year ended 31.12.2021 £'000 | £'000 |
|---|---|---|---|---|
| **Opening net assets attributable to Unitholders** | | **652,497** | | 584,485 |
| Amounts receivable on issue of Units | **78,576** | | 24,240 | |
| Amounts payable on cancellation of Units | **(59,190)** | | (38,556) | |
| | | **19,386** | | (14,316) |
| Change in net assets attributable to Unitholders from investment activities | | **(89,312)** | | 82,328 |
| **Closing net assets attributable to Unitholders** | | **582,571** | | 652,497 |

The notes on pages 42 to 54 and distribution table on page 55 form part of these financial statements.

## BALANCE SHEET
**at 31 December 2022**

| | Note | 31.12.2022 £'000 | 31.12.2022 £'000 | 31.12.2021 £'000 | 31.12.2021 £'000 |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| Investment property | 7 | | **568,897** | | 633,433 |
| Debtors | *8* | **11,220** | | 11,106 | |
| Cash and bank balances | *9* | **7,547** | | 5,295 | |
| Cash equivalents | *9* | **8,912** | | 16,961 | |
| Total other assets | | | **27,679** | | 33,362 |
| **Total assets** | | | **596,576** | | 666,795 |
| **LIABILITIES** | | | | | |
| Creditors | *10* | **6,759** | | 7,161 | |
| Distribution payable on income units | | **7,246** | | 7,137 | |
| **Total liabilities** | | | **14,005** | | 14,298 |
| **Net assets attributable to Unitholders** | | | **582,571** | | 652,497 |

The financial statements on pages 38 to 40 have been approved and authorised for issue by the Board.

Approved on behalf of the Board — N Morecroft, Chair
6 June 2023

The notes on pages 42 to 54 and distribution table on page 55 form part of these financial statements.

## CASH FLOW STATEMENT
**for the year ended 31 December 2022**

| | Note | **Year ended 31.12.2022** £'000 | **Year ended 31.12.2022** £'000 | Year ended 31.12.2021 £'000 | Year ended 31.12.2021 £'000 |
|---|---|---|---|---|---|
| Net revenue for the year | | | **25,993** | | 27,429 |
| **Adjustments for** | | | | | |
| Realised loss on disposal of property due to unamortised Rent Free Provision write off | | | **(145)** | | (859) |
| **Net cash outflow from operating activities** | | | | | |
| (Decrease)/increase in accrued revenue | | **(349)** | | 945 | |
| Decrease in debtors | | **235** | | 1,209 | |
| Decrease in creditors | | **(402)** | | (2,180) | |
| | | | **(516)** | | (26) |
| **Net cash outflow from investment activities** | | | | | |
| Capital expenses | | **(2,050)** | | (6,610) | |
| Payments to acquire investments | | **(45,405)** | | (1,237) | |
| Proceeds on disposal of investments | | **28,298** | | 22,999 | |
| | | | **(19,157)** | | 15,152 |
| **Net cash outflow from financing activities** | | | | | |
| Issue of Units | | **78,576** | | 24,240 | |
| Cancellation of Units | | **(59,190)** | | (38,556) | |
| Revenue deducted on cancellation of Units | | **(597)** | | (314) | |
| Revenue received on issue of Units | | **473** | | 232 | |
| Distributions paid | | **(31,234)** | | (29,060) | |
| | | | **(11,972)** | | (43,458) |
| Decrease in cash and cash equivalent | | | **(5,797)** | | (1,762) |
| Opening balance | | | **22,256** | | 24,018 |
| Closing balance | | | **16,459** | | 22,256 |

The notes on pages 42 to 54 and distribution table on page 55 form part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS
**for the year ended 31 December 2022**

### 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 financial statements have been prepared under the historical cost basis, as modified by revaluation of investment property.

*(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 FRS 102, the rent free period is recognised over the entire term of the lease.

*(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.

## NOTES TO THE FINANCIAL STATEMENTS
**for the year ended 31 December 2022**

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

*(d) Distributions (continued)*

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 on the 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.

*(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 investments held in sterling that are readily convertible to a known amount of cash;
- are subject to an insignificant risk of change in value; and
- provide a return no greater than the rate of a three month high quality Government bond.

## NOTES TO THE FINANCIAL STATEMENTS
**for the year ended 31 December 2022**

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

| | Year ended 31.12.2022 £'000 | Year ended 31.12.2021 £'000 |
|---|---|---|
| The net capital gains during the period comprise: | | |
| Realised (losses)/gains on investment properties* | **(9,693)** | 4,646 |
| Unrealised (losses)/gains on investment properties* | **(74,145)** | 79,801 |
| (Losses)/gains on investment properties | **(83,838)** | 84,447 |

* 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 31.12.2022 £'000 | Year ended 31.12.2021 £'000 |
|---|---|---|
| Rental revenue | **33,617** | 33,850 |
| Service charge income | **1,663** | 2,869 |
| Other revenue | **611** | 1,064 |
| Interest on the COIF Charities Deposit Fund | **574** | 9 |
| Bank Interest | **82** | 32 |
| | **36,547** | 37,824 |

### 4. Expenses

| | Year ended 31.12.2022 £'000 | Year ended 31.12.2021 £'000 |
|---|---|---|
| *i) Property expenses:* | | |
| Service charge expenses | **2,473** | 4,018 |
| Property ground rent and empty rates | **1,544** | 762 |
| Property legal and professional fees | **753** | 1,041 |
| Other property outgoings | **533** | (26) |
| Property repairs and maintenance | **222** | 249 |
| | **5,525** | 6,044 |

Included in other property outgoings, amongst other property related costs, there is a reversal of bad debt provision of £783,000 (2021:£936,000).

## NOTES TO THE FINANCIAL STATEMENTS
**for the year ended 31 December 2022**

4. **Expenses** *(continued)*

| | **Year ended 31.12.2022 £'000** | Year ended 31.12.2021 £'000 |
|---|---|---|
| *ii) Management expenses:* | | |
| Manager's periodic charge – see note 1(c) | **4,749** | 3,960 |
| Property valuation fees | **127** | 140 |
| Audit fee | **77** | 120 |
| Investment Property Database fee | **49** | 3 |
| Trustee fee | **36** | 36 |
| Legal fees | **28** | 57 |
| Miscellaneous expenses | **20** | 42 |
| Insurance fee | **19** | 15 |
| Bank charges | **2** | 3 |
| Manager's periodic charge rebate – see note 1(c)* | **(78)** | (25) |
| | **5,029** | 4,351 |
| Total expenses | **10,554** | 10,395 |

The above expenses are on the accrual basis and include irrecoverable VAT where applicable.

Audit fee, as billed by Deloitte LLP was £76,960 for the year ended 31.12.2022 (31.12.2021 – £96,200).

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.

# NOTES TO THE FINANCIAL STATEMENTS
**for the year ended 31 December 2022**

**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 31.12.2022 £'000** | Year ended 31.12.2021 £'000 |
|---|---|---|
| 31 March – interim distribution | **8,678** | 8,015 |
| 30 June – interim distribution | **7,712** | 7,226 |
| 30 September – interim distribution | **7,708** | 7,088 |
| 31 December – final distribution | **7,245** | 7,137 |
| | **31,343** | 29,466 |
| Add: revenue deducted on cancellation of Units | **597** | 314 |
| Deduct: revenue received on issue of Units | **(473)** | (232) |
| Net distribution for the year | **31,467** | 29,548 |
| Net revenue for the year | **25,993** | 27,429 |
| Transfer from/(to) the income reserve – see note 11 | **725** | (1,841) |
| Manager's periodic charge paid by capital | **4,749** | 3,960 |
| Net distribution for the year | **31,467** | 29,548 |

Details of the distribution per unit are set out in the distribution table on page 55.

## NOTES TO THE FINANCIAL STATEMENTS
**for the year ended 31 December 2022**

### 7. Property investments

| | Year ended 31.12.2022 £'000 | Year ended 31.12.2021 £'000 |
|---|---|---|
| Market value at the start of the year | **633,433** | 563,279 |
| Acquisitions at cost | **45,405** | 1,237 |
| Capitalised expenses | **2,050** | 6,610 |
| Disposals at cost | **(37,846)** | (17,494) |
| Unrealised gains on revaluation | **(74,145)** | 79,801 |
| Market value at the end of the year | **568,897** | 633,433 |
| Historical cost at the end of the year | **558,107** | 548,495 |

### 8. Debtors

| | Year ended 31.12.2022 £'000 | Year ended 31.12.2021 £'000 |
|---|---|---|
| Property incentives | **6,304** | 6,242 |
| Rents receivable | **4,354** | 4,005 |
| Property payments recoverable | **342** | 143 |
| Prepayments | **106** | 602 |
| Other debtors | **114** | 114 |
| | **11,220** | 11,106 |

### 9. Cash and bank balances and Cash equivalents

| | Year ended 31.12.2022 £'000 | Year ended 31.12.2021 £'000 |
|---|---|---|
| Cash in the COIF Charities Deposit Fund | **8,912** | 16,662 |
| Cash at bank | **7,547** | 5,295 |
| Cash equivalents | **–** | 299 |
| Total cash | **16,459** | 22,256 |

## NOTES TO THE FINANCIAL STATEMENTS
**for the year ended 31 December 2022**

### 10. Creditors

| | **Year ended 31.12.2022 £'000** | Year ended 31.12.2021 £'000 |
|---|---|---|
| Rent received in advance | **4,557** | 4,120 |
| Accrued expenses | **1,419** | 2,277 |
| VAT payable | **783** | 764 |
| | **6,759** | 7,161 |

### 11. Income reserve

The income reserve is accumulated out of undistributed revenue and is used to smooth fluctuations paid out by the Fund. The income reserve is included in the total value of the Fund and is attributable to Income Shareholders. The income reserve is distributable and is included within Cash Equivalents in the Balance Sheet.

| | **Year ended 31.12.2022 £'000** | Year ended 31.12.2021 £'000 |
|---|---|---|
| Income reserve at the start of the year | **6,389** | 4,706 |
| Equalisation of the income reserve | **155** | (158) |
| Transfer (from)/to the income reserve | **(725)** | 1,841 |
| Income reserve at the end of the period | **5,819** | 6,389 |

### 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 2022, 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 £28.44m (2021: £31.67m).

## NOTES TO THE FINANCIAL STATEMENTS
**for the year ended 31 December 2022**

**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.

Up to 17 October 2022 redemption requests were subject to a minimum notice period of 90 calendar days. From 18 October 2022 redemptions are subject to a minimum notice period of 180 calendar days.

*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 any changes in interest rates will not significantly affect the Fund, except in so far as they affect rental levels generally.

## NOTES TO THE FINANCIAL STATEMENTS
**for the year ended 31 December 2022**

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

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 total exposure at 31 December 2021 was:

| Currency | Floating rate financial assets* £'000 | Fixed rate financial assets £'000 | Financial assets not carrying interest £'000 | Total £'000 |
|---|---|---|---|---|
| Sterling | 22,256 | – | 644,539 | 666,795 |

| Currency | Floating rate financial liabilities* £'000 | Fixed rate financial liabilities £'000 | Financial liabilities not carrying interest £'000 | Total £'000 |
|---|---|---|---|---|
| Sterling | – | – | 14,298 | 14,298 |

* 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 2022**

13. **Commitments and contingent liabilities**
There were no commitments or contingent liabilities as at 31 December 2022 (31.12.2021 £nil).

14. **Board remuneration**
The Board members receive no remuneration from the COIF Charity Funds. Ms J. Hobart was the Director of the Managers' 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 2022 the balance due to HSBC Bank plc was as set out below:

| | **31.12.2022 £'000** | 31.12.2021 £'000 |
|---|---|---|
| Depositary fees | **6** | 9 |

At 31 December 2022, a cash balance of £8,911,876 (31.12.2021, £16,661,876) 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 87,072,475 units – 16.46% (2021: 90,997,544 – 17.46%), the COIF Charities Ethical Investment Fund has a holding of 52,249,775 units – 9.88% (2021: 57,059,214 – 10.95%)) and the The CBF Church of England Property Fund has a holding of 146,483,811 units – 27.69% (2021: 150,463,168 – 28.87%).

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 2022**

### 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 2022 and 31 December 2021 are as follows:

| 31 December 2022 | Number of Units | Value £'000 | % of NAV |
|---|---|---|---|
| Units issued | 60,002,226 | 78,576 | 13.49% |
| Units cancelled | 52,254,678 | 59,190 | 10.16% |

| 31 December 2021 | Number of Units | Value £'000 | % of NAV |
|---|---|---|---|
| Units issued | 20,580,306 | 24,240 | 3.71% |
| Units cancelled | 33,691,819 | 38,556 | 5.91% |

At 31 December 2022 there were no redemption notices outstanding (31 December 2021, nil).

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

| | **Year ended 31.12.2022 £'000** | Year ended 31.12.2021 £'000 |
|---|---|---|
| Net cash at beginning of the year | **22,256** | 24,018 |
| Movement in cash during the year | **(5,797)** | (1,762) |
| Net cash at the end of the year | **16,459** | 22,256 |

### 18. Unitholders' funds – reconciliation of Units

| | **Year ended 31.12.2022** | Year ended 31.12.2021 |
|---|---|---|
| Opening number of Units at beginning of year | **521,122,608** | 534,234,121 |
| Units issued in period | **60,002,227** | 20,580,306 |
| Units cancelled in period | **(52,254,678)** | (33,691,819) |
| Closing number of units at end of period | **528,870,157** | 521,122,608 |

## NOTES TO THE FINANCIAL STATEMENTS
**for the year ended 31 December 2022**

**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 2022**

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

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** |

For the year ended 31 December 2021:

| Category | Level 1 £'000 | Level 2 £'000 | Level 3 £'000 | Total £'000 |
|---|---|---|---|---|
| Investment property | – | – | 633,433 | 633,433 |
| | – | – | 633,433 | 633,433 |

## DISTRIBUTION TABLE
**for the year ended 31 December 2022**

| Period ended | Date paid/payable | Dividends paid/payable pence per Unit 2022 | 2021 |
|---|---|---|---|
| **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 AND MANAGER RESPONSIBILITIES
**for the year ended 31 December 2022**

**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 AND MANAGER RESPONSIBILITIES
**for the year ended 31 December 2022**

**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 AND MANAGER RESPONSIBILITIES
**for the year ended 31 December 2022**

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

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

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

- prepare and submit to the 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 half yearly report and accounts for the Fund made up to the date of the interim balance sheet.

The Manager is required to:

- select suitable accounting policies that are appropriate for the Fund and apply them on a consistent basis;
- comply with the disclosure requirements of FRS 102;
- follow generally accepted accounting principles and applicable accounting standards;
- keep proper accounting records which enable the Manager to demonstrate that the Financial Statements as prepared comply with the above requirements;

## STATEMENT OF BOARD, TRUSTEE AND MANAGER RESPONSIBILITIES
**for the year ended 31 December 2022**

- 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 Investment 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 2022**

The Depositary must ensure that the Fund is managed in accordance with the Financial Conduct Authority's Investment Funds Sourcebook, ("the Sourcebook"), the Alternative Investment Fund Managers Directive ("AIFMD") (together "the Regulations") and the Fund's Scheme Particulars.

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Fund and its investors.

The Depositary is responsible for the safekeeping of the assets of the Fund in accordance with the Regulations.

The Depositary must ensure that:

- the Fund's cash flows are properly monitored and that cash of the Fund is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, repurchase, redemption and cancellation of units are carried out in accordance with the Regulations;
- the assets under management and the net asset value per share of the Fund are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Fund's assets is remitted to the Fund within the usual time limits;
- 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.

Having carried out such procedures as we consider necessary to discharge our responsibilities as Depositary of the Fund, it is our opinion, based on the information available to us and the explanations provided, that in all material respects the Fund, acting through the AIFM has been managed in accordance with the rules in the Sourcebook, the Scheme Particulars of the Company and as required by the AIFMD.

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

HSBC Bank plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority
6 June 2023

## AIFMD DISCLOSURES (UNAUDITED)

**Manager remuneration**

The Manager has no employees, but carries out its services through employees of its parent company, CCLA Investment Management Limited.

Recharges for these services 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 2022 was £34,700,000. A recharge of £30,000,000 was levied in the year to 31 March 2021.

The average number of full time equivalent staff of CCLA Investment Management Limited, including temporary staff, for the year ended 31 March 2022 was 155 (year ended 31 March 2021: 145).

During the year ended 31 March 2022 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 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** |

| | Year to 31 December 2021 | | |
|---|---|---|---|
| | Fixed remuneration £'000 | Variable remuneration £'000 | Total £'000 |
| Identified staff | 1,380 | 1,827 | 3,207 |
| Other staff | 12,659 | 5,327 | 17,986 |
| Total | 14,039 | 7,154 | 21,193 |

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
S Niven, CFA (resigned 31 August 2022)
C Ong, MBA
A Watson, CBE (deceased)

**Secretary**
J Fox

**Manager and Alternative Investment Fund Manager (AIFM)**
CCLA Fund Managers Limited

**Investment Manager and Registrar**
CCLA Fund Managers Limited
*Both CCLA Fund Managers Limited and CCLA Investment Management Limited are authorised and regulated by the Financial Conduct Authority*
Registered Office Address (prior to 25 July 2022):
Senator House, 85 Queen Victoria Street
London
EC4V 4ET
Registered Office Address (current):
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)

**Non-Executive Directors of the Manager**
R Horlick (Chair)
J Jesty
A Roughead

***Fund Manager***
P Hannam

***Company Secretary***
J Fox

***Chief Risk Officer***
J-P 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
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London EC2V 7BP

***Custodian, Trustee and Depositary***
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8 Canada Square
Canary Wharf
London E14 5HQ

***Banker***
HSBC Bank plc
60 Queen Victoria Street
London EC4N 4TR

***Solicitors***
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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 (appointed on 15 February 2022)
110 Queen Street
Glasgow G1 3BX

# 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 begins 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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