



# The Multi-Asset Charity Fund Review

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This Review is based on historical information and past performance is not indicative of future performance. ARC does not guarantee the performance of any investment or portfolio or the return of an investor’s capital or any specific rate of return. ARC accepts no liability for any investment decision made on the basis of the information contained in this report. You should always complete your own analysis and/or seek appropriate professional advice before entering into an agreement with any investment manager. The content is the property of ARC or its licensors and is protected by copyright and other intellectual property laws. Use of the information herein is governed by strict Conditions of Use as detailed on [www.suggestus.com](http://www.suggestus.com).

## Introduction

The Multi-Asset Charity Fund Review is published by ARC Research (ARC) with the kind support of the participating managers, to provide an overview of the multi-asset charity fund sector to current and potential investors and their advisors.

The report is presented in six sections: Performance (fund return); fund size and asset mix; risk and return; income (current and historical); dividend growth and additional information (including unit price and management charges).

In addition, a summary of fund objectives and structures, as quoted by each investment manager, is provided. This details what the fund is trying to achieve and how the fund is structured to meet that target. For further fund information, a contact name, email address and telephone number is provided for each investment manager.

## About Charity Authorised Investment Funds

Not all the funds in this report are Charity Authorised Investment Funds (CAIFs), but a large proportion of them are. CAIFs were first introduced in 2017 to replace the traditional Common Investment Fund (CIF) structure (although CAIFs are themselves also CIFs). CAIFs are regulated by the FCA and the Charity Commission and provide a suitable investment vehicle for smaller charities in the UK and Northern Ireland.

CAIFs are professionally managed portfolios of investments, in which charities can buy units representing a portion of those investments. Through this pooling arrangement, charities can enjoy the benefit of diversification, whilst keeping management and administration costs to a minimum. Moreover, in view of the fact that CAIFs are themselves registered charities, investors in these funds enjoy all the tax advantages available to charities including exemption from income tax, capital gains tax and stamp duty on equity purchases. In addition, the funds are able to distribute income gross of tax (where applicable), thereby eliminating the delay and cost involved in making a reclaim. Fees on CAIFs are also exempt from VAT (not the case for a traditional CIF).

Many charities also invest through other forms of pooled funds, such as OEICs and unit trusts, which are not specifically for charities. Whilst these funds do not provide the same tax relief as CAIFs, they can give access to a wide range of cost-effective investment choices which can also provide diversification and reduce risk.

## About ARC Group

Formed in 1995, ARC Group provides advice on strategic asset allocation, investment policy statement construction, manager research and performance reporting to charities, private clients, family offices, professional trustees and their trusted advisers.

ARC are passionate innovators characterised by our leading ARC Charity Indices (ACI) (see the Glossary for more information) and ARC Private Client Indices (PCI) initiatives that provide unrivalled insight into the investment management community. See [www.suggestus.com](http://www.suggestus.com) for more information.

ARC Group employs over 70 consultants, analysts, developers and support staff with offices in London, Guernsey and Jersey.

## Returns Summary

All returns are provided on a total return basis representing both the capital return and income earned during the period and fund returns are calculated on a bid to bid basis (net of fees and expenses). Data is sourced from the investment managers; Lipper, a Thomson Reuters company; and ARC.

Multi-Asset Funds	Investment Manager	Last Quarter	Last 12 Months	YTD 2024	Last 3 Years	Last 5 Years	Last 10 Years	Share Class
Barclays Charity Fund	Barclays	2.5	11.7	6.0	11.5	26.2	82.8	Inc
Armed Forces Charities Growth & Income Fund <sup>2</sup>	BlackRock	2.4	12.2	5.4	6.3	30.2	92.7	Inc
Catholic Charities Growth & Income Fund <sup>2</sup>	BlackRock	2.3	10.4	4.4	6.6	25.7	87.7	Inc
Charities Growth & Income Fund	BlackRock	2.2	9.7	5.0	4.1	26.3	-	Inc
IFSL CAF ESG Cautious	LGT WM for CAF	2.6	7.1	2.5	-	-	-	Inc
IFSL CAF ESG Income & Growth	LGT WM for CAF	3.2	12.9	7.0	-	-	-	Inc
IFSL CAF ESG Growth	LGT WM for CAF	3.8	13.7	7.9	-	-	-	Inc
Charity Multi-Asset Fund <sup>2</sup>	Cazenove	2.0	12.8	7.4	11.0	31.7	72.7	Acc
Sustainable Charity Multi-Asset Fund	Cazenove	2.2	11.5	6.3	13.5	39.1	-	Acc
Catholic Investment Fund	CCLA	(0.1)	11.3	3.6	10.3	-	-	Inc
CBF Church of England Investment Fund	CCLA	0.6	11.9	4.3	15.9	46.9	153.8	Inc
COIF Charities Ethical Investment Fund	CCLA	0.6	12.7	4.3	15.5	44.7	140.0	Inc
COIF Charities Investment Fund	CCLA	0.2	11.3	3.9	15.2	44.5	142.7	Inc
Epworth Multi Asset Fund for Charities	Epworth	1.8	10.2	4.6	8.4	-	-	Inc
M&G Charity Multi Asset Fund	M&G	3.5	11.5	5.8	18.4	28.9	-	Inc
Newton Growth & Income Fund for Charities	Newton	2.5	12.0	8.1	21.2	38.4	126.8	Inc
Newton SRI Fund for Charities	Newton	2.4	10.8	6.6	15.2	40.0	106.4	Inc
Newton Sustainable Growth & Income Fund	Newton	2.8	11.6	7.4	15.2	34.1	107.9	Inc
Global Income & Growth Fund for Charities	Quilter Cheviot	2.6	15.8	7.5	-	-	-	Inc
Active Income and Growth Fund for Charities	Rathbones	1.9	11.3	5.7	9.5	25.4	79.5	Inc
Core Investment Fund for Charities	Rathbones	2.1	12.5	7.5	7.6	30.6	-	Inc
Charity Assets Trust	Ruffer	1.0	0.0	(0.6)	2.0	28.1	51.7	Acc
Sarasin Climate Active Endowments Fund	Sarasin & Partners	2.3	12.4	8.3	10.6	36.9	-	Inc
Sarasin Endowments Fund <sup>2</sup>	Sarasin & Partners	2.5	13.2	8.0	11.4	36.8	93.9	Inc
Sarasin Income & Reserves Fund <sup>2</sup>	Sarasin & Partners	1.0	8.8	2.3	(8.2)	1.6	28.0	Inc
Waverton Charity Growth & Income Fund	Waverton	1.5	16.0	7.4	18.2	42.4	-	Inc

### Peer Group Indices

Sterling Cautious Charity Index	ARC	1.0	5.7	2.1	(0.6)	7.1	23.2	-
Sterling Balanced Asset Charity Index	ARC	1.3	9.1	4.2	4.8	18.3	51.4	-
Sterling Steady Growth Charity Index	ARC	1.6	11.0	5.6	7.9	24.7	69.3	-
Sterling Equity Risk Charity Index	ARC	1.9	12.1	6.2	8.9	26.8	76.4	-

### Market Indices<sup>1</sup>

UK Equities	iShares	3.7	12.6	7.8	29.8	31.9	76.2	-
International Equities	iShares	2.6	21.0	12.7	33.7	75.8	227.0	-
UK Sovereign Bonds	iShares	(0.9)	4.7	(2.5)	(22.6)	(19.4)	4.8	-
UK Corporate Bond	iShares	(0.4)	10.3	(0.6)	(12.4)	(4.6)	27.5	-
UK Property	iShares	(0.2)	16.4	(2.9)	(15.6)	(9.0)	8.0	-
Cash	-	1.3	5.3	2.6	9.0	9.7	12.4	-

<sup>1</sup> The Market Indices use appropriate index-tracking funds, wherever possible iShares ETF provided by BlackRock, as a proxy for market performance. Further details can be found in the *Glossary*.

<sup>2</sup> These funds converted from CIF's to CAIFs recently. Performance prior to the conversion is taken from the previous version of the fund. Refer to the Fund Objectives section for more information.

## Fund Size and Asset Allocation

The table below sets out the published size of each fund as well as the asset allocation as provided by the participating investment managers.

Multi-Asset Funds	Investment Manager	Fund Size (£m)	Cash %	Bond %	Equities		Prop-erty %	Other %	Total %
					UK %	Intl %			
Barclays Charity Fund	Barclays	240.6	3.3	15.9	17.0	48.4	5.5	9.9	100.0
Armed Forces Charities Growth & Income Fund	BlackRock	338.6	(8.8)	20.2	1.3	61.5	6.3	19.5	100.0
Catholic Charities Growth & Income Fund	BlackRock	143.2	(5.6)	18.6	1.5	61.1	8.1	16.3	100.0
Charities Growth & Income Fund	BlackRock	160.1	(5.1)	18.5	2.2	60.5	3.0	20.9	100.0
IFSL CAF ESG Cautious	LGT WM for CAF	27.9	14.3	33.6	7.3	30.0	0.0	14.9	100.0
IFSL CAF ESG Income & Growth	LGT WM for CAF	72.2	6.4	25.6	14.6	48.4	0.0	5.1	100.0
IFSL CAF ESG Growth	LGT WM for CAF	76.5	1.9	22.1	14.3	55.5	0.0	6.2	100.0
Charity Multi-Asset Fund	Cazenove	683.0	1.9	9.7	3.6	69.0	6.2	9.6	100.0
Sustainable Charity Multi-Asset Fund	Cazenove	2066.0	4.9	10.3	0.0	71.4	4.1	9.3	100.0
Catholic Investment Fund	CCLA	156.6	2.3	7.5	7.0	66.7	5.1	11.4	100.0
CBF Church of England Investment Fund	CCLA	2151.1	1.7	8.3	8.2	63.8	4.0	14.0	100.0
COIF Charities Ethical Investment Fund	CCLA	2354.1	1.9	8.3	7.1	65.0	4.4	13.3	100.0
COIF Charities Investment Fund	CCLA	3774.6	2.0	8.1	7.3	64.7	3.9	13.9	100.0
Epworth Multi Asset Fund for Charities	Epworth	55.9	3.9	14.8	7.0	62.1	3.6	8.6	100.0
M&G Charity Multi Asset Fund	M&G	216.3	1.5	14.5	32.5	50.4	1.1	0.1	100.0
Newton Growth & Income Fund for Charities	Newton	659.9	2.2	18.9	31.9	47.0	0.0	0.0	100.0
Newton SRI Fund for Charities	Newton	107.7	1.2	15.9	27.5	54.2	0.0	1.2	100.0
Newton Sustainable Growth & Income Fund	Newton	103.8	5.1	16.8	18.5	58.5	0.0	1.1	100.0
Global Income & Growth Fund for Charities	Quilter Cheviot	160.8	2.1	17.5	21.7	49.1	1.8	7.8	100.0
Active Income and Growth Fund for Charities	Rathbones	220.2	1.6	20.1	23.0	38.7	3.9	12.8	100.0
Core Investment Fund for Charities	Rathbones	198.1	3.5	14.9	14.0	59.6	2.6	5.5	100.0
Charity Assets Trust	Ruffer	599.1	1.1	59.5	11.2	14.3	0.0	14.0	100.0
Sarasin Climate Active Endowments Fund	Sarasin & Partners	507.1	5.1	11.3	2.9	71.3	3.4	6.1	100.0
Sarasin Endowments Fund <sup>2</sup>	Sarasin & Partners	2342.7	3.8	10.9	2.9	72.3	3.5	6.6	100.0
Sarasin Income & Reserves Fund <sup>2</sup>	Sarasin & Partners	110.8	3.8	63.7	1.0	24.1	0.0	7.4	100.0
Waverton Charity Growth & Income Fund	Waverton	71.6	0.4	22.2	6.6	61.6	2.9	6.3	100.0

### Peer Group Indices<sup>1</sup>

Sterling Cautious Charity Index	ARC	-	18.6	36.5	5.8	2.6	2.1	34.4	100.0
Sterling Balanced Asset Charity Index	ARC	-	7.3	25.0	14.6	21.3	3.4	28.2	100.0
Sterling Steady Growth Charity Index	ARC	-	3.0	20.2	20.4	31.2	2.7	22.5	100.0
Sterling Equity Risk Charity Index	ARC	-	1.9	17.3	26.4	37.3	2.1	15.1	100.0

<sup>1</sup> The asset allocations presented are based on estimates provided by ARC. The estimates are calculated using statistical methods that attempt to derive a model portfolio whose historical returns most closely match the actual ACI results. The estimates are then based on the predicted return of the model portfolio. The model is updated quarterly on publication of the ARC ACI series. For more information, please visit [www.suggestus.com/charity/faqs](http://www.suggestus.com/charity/faqs) <sup>2</sup> These funds converted from CIF's to CAIFs recently. Performance prior to the conversion is taken from the previous version of the fund. Refer to the Fund Objectives section for more information.

## Risk and Return Analysis

It is important to consider the risk that has been taken to achieve the returns. The table below examines the annualised three-year returns and the absolute risk (as defined by annualised standard deviation or volatility) expressed as the Sharpe Ratio. We have also provided the Relative Risk of each fund. This allows identification of the most appropriate Peer Group Index to use as a comparator; further details are available in the *Glossary*.

Multi-Asset Funds	Investment Manager	Return <sup>1</sup> % p.a.	Absolute Risk <sup>2</sup> %	Sharpe Ratio <sup>3</sup>	Relative Risk <sup>4</sup>	ARC Category <sup>5</sup>
Barclays Charity Fund	Barclays	3.7	7.1	0.1	0.7	SG
Armed Forces Charities Growth & Income Fund	BlackRock	2.1	8.7	(0.1)	0.8	SG
Catholic Charities Growth & Income Fund	BlackRock	2.1	8.7	0.0	0.8	SG
Charities Growth & Income Fund	BlackRock	1.4	8.7	(0.1)	0.8	SG
IFSL CAF ESG Cautious	LGT WM for CAF	Less than 3 years history				
IFSL CAF ESG Income & Growth	LGT WM for CAF	Less than 3 years history				
IFSL CAF ESG Growth	LGT WM for CAF	Less than 3 years history				
Charity Multi-Asset Fund	Cazenove	3.5	6.7	0.1	0.6	SG
Sustainable Charity Multi-Asset Fund	Cazenove	4.3	8.4	0.2	0.8	SG
Catholic Investment Fund	CCLA	3.3	10.0	0.1	0.9	ER
CBF Church of England Investment Fund	CCLA	5.1	9.3	0.3	0.9	SG
COIF Charities Ethical Investment Fund	CCLA	4.9	9.7	0.2	0.9	SG
COIF Charities Investment Fund	CCLA	4.8	9.2	0.2	0.8	SG
Epworth Multi Asset Fund for Charities	Epworth	2.7	9.9	0.0	0.9	SG
M&G Charity Multi Asset Fund	M&G	5.8	8.7	0.4	0.8	ER
Newton Growth & Income Fund for Charities	Newton	6.6	7.7	0.5	0.7	SG
Newton SRI Fund for Charities	Newton	4.8	7.8	0.3	0.7	SG
Newton Sustainable Growth & Income Fund	Newton	4.8	7.9	0.3	0.7	SG
Global Income & Growth Fund for Charities	Quilter Cheviot	Less than 3 years history				
Active Income and Growth Fund for Charities	Rathbones	3.1	7.6	0.1	0.7	SG
Core Investment Fund for Charities	Rathbones	2.5	8.4	0.0	0.8	SG
Charity Assets Trust	Ruffer	0.7	5.8	(0.4)	0.5	BA
Sarasin Climate Active Endowments Fund	Sarasin & Partners	3.4	9.3	0.1	0.9	SG
Sarasin Endowments Fund <sup>2</sup>	Sarasin & Partners	3.7	9.1	0.1	0.8	SG
Sarasin Income & Reserves Fund <sup>2</sup>	Sarasin & Partners	(2.8)	7.2	(0.8)	0.7	BA
Waverton Charity Growth & Income Fund	Waverton	5.7	7.4	0.4	0.7	BA

### Peer Group Indices

ARC Sterling Cautious ACI	ARC	(0.2)	4.5	(0.7)	0.4	C
ARC Sterling Balanced Asset ACI	ARC	1.6	7.0	(0.2)	0.6	BA
ARC Sterling Steady Growth ACI	ARC	2.6	8.1	0.0	0.7	SG
ARC Sterling Equity Risk ACI	ARC	2.9	9.0	0.0	0.8	ER

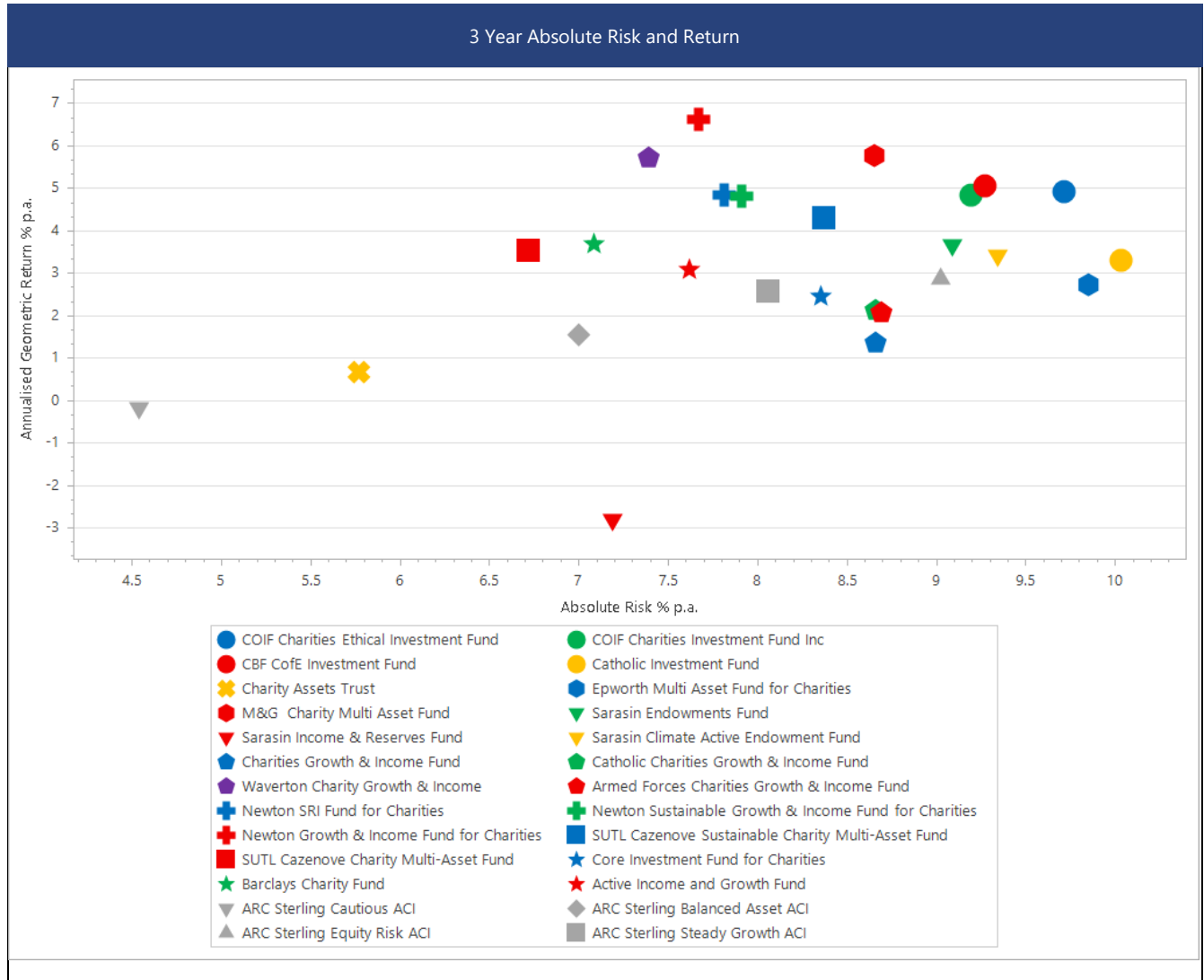
### Market Indices

UK Equities	iShares	9.1	10.3	0.6	0.9	-
International Equities	iShares	10.2	11.5	0.7	1.1	-
UK Sovereign Bonds	iShares	(8.2)	10.5	(1.0)	1.0	-
UK Corporate Bond	iShares	(4.3)	10.2	(0.7)	0.9	-
UK Property	iShares	(5.5)	23.1	(0.3)	2.1	-
Cash	-	2.9	0.0	0.0	0.0	-

<sup>1</sup> Return is calculated as the annualised 36 month return. <sup>2</sup> Absolute Risk is the annualised, 36 month standard deviation of excess returns (fund return less a risk-free rate of 1 month cash). <sup>3</sup> Sharpe Ratio is a measure of risk-adjusted return calculated as the excess fund return divided by the absolute risk. A higher result indicates better or more efficient historical risk-adjusted returns. <sup>4</sup> Relative Risk is the absolute risk of a fund divided by the absolute risk of a benchmark, in this case, a broad UK Equities index. The concept of relative risk to equities is used to identify the degree of volatility (risk) a portfolio has experienced. A relative measure provides a "window" to see the risk a fund has taken in the context of the UK stock market. <sup>5</sup> Indicates which ACI series would be the most appropriate comparator. See Peer Group Indices table for key.

### Risk and Return Scatter Plot

It is important to understand the concept of risk-adjusted returns i.e. the relationship between investment return and investment risk. Another way to think about this concept is how much return has a fund delivered for each unit of risk taken. The chart below plots annualised absolute return and risk for each fund and the ACI.



It is useful to measure risk based on absolute returns. Absolute risk (or volatility) is computed as the annualised standard deviation of the absolute returns earned by a fund over a three-year period. As such it gives an indication of how dispersed the returns have been from the average return. A fund with a high absolute risk has exhibited greater uncertainty of return than a fund with a low absolute risk. Absolute risk is essentially driven by the asset types to which the fund is exposed.

## Income Analysis – Historical Dividend Yield<sup>1</sup>

The table below shows how the dividend yield of each fund has evolved over time. Yield is defined as the proportion of the total return of a fund that is represented by income.

Multi-Asset Funds	Investment Manager	Last 12 months %	2023 %	2022 %	2021 %	2020 %	2019 %
Barclays Charity Fund	Barclays	2.9	3.0	3.0	2.4	2.7	3.4
Armed Forces Charities Growth & Income Fund <sup>2</sup>	BlackRock	3.9	3.9	3.8	3.2	3.5	3.5
Catholic Charities Growth & Income Fund <sup>2</sup>	BlackRock	3.1	3.1	3.1	2.6	3.2	2.9
Charities Growth & Income Fund	BlackRock	3.3	3.3	3.1	2.3	2.6	-
IFSL CAF ESG Cautious	LGT WM for CAF	2.8	2.7	-	-	-	-
IFSL CAF ESG Income & Growth	LGT WM for CAF	2.4	2.5	-	-	-	-
IFSL CAF ESG Growth	LGT WM for CAF	2.0	2.1	-	-	-	-
Charity Multi-Asset Fund <sup>2</sup>	Cazenove	3.9	4.1	4.0	3.9	4.0	3.9
Sustainable Charity Multi-Asset Fund	Cazenove	3.8	4.0	4.0	3.9	3.6	3.8
Catholic Investment Fund	CCLA	2.8	2.8	3.1	-	-	-
CBF Church of England Investment Fund	CCLA	2.7	2.7	3.0	2.6	2.8	3.0
COIF Charities Ethical Investment Fund	CCLA	2.8	2.9	3.1	2.7	3.0	3.1
COIF Charities Investment Fund	CCLA	2.7	2.7	3.0	2.6	2.9	3.1
Epworth Multi Asset Fund for Charities	Epworth	2.8	2.9	3.1	1.9	1.4	-
M&G Charity Multi Asset Fund	M&G	3.4	3.4	3.3	3.2	3.8	3.9
Newton Growth & Income Fund for Charities	Newton	2.2	2.5	2.2	2.3	2.0	2.7
Newton SRI Fund for Charities	Newton	2.2	2.5	2.3	2.1	2.0	2.5
Newton Sustainable Growth & Income Fund	Newton	2.0	2.1	1.9	1.4	1.6	2.2
Global Income & Growth Fund for Charities	Quilter Cheviot	2.9	3.0	3.2	2.6	-	-
Active Income and Growth Fund for Charities	Rathbones	3.2	3.3	3.2	2.5	2.7	3.5
Core Investment Fund for Charities	Rathbones	2.7	2.8	2.4	1.9	2.5	2.5
Charity Assets Trust	Ruffer	1.9	1.7	0.7	1.1	1.1	1.7
Sarasin Climate Active Endowments Fund	Sarasin & Partners	2.5	2.8	2.8	2.5	2.9	-
Sarasin Endowments Fund	Sarasin & Partners	2.8	2.9	2.9	2.7	3.0	3.5
Sarasin Income & Reserves Fund	Sarasin & Partners	3.8	3.8	3.6	2.9	3.0	3.6
Waverton Charity Growth & Income Fund	Waverton	2.6	2.5	2.3	1.8	2.0	-

### <sup>1</sup> Calculating Dividend Yield

The sum of the dividends paid, expressed in pence per share, over the preceding 12 months, divided by the published closing bid price per share at the end of the period expressed as a percentage figure.



## Income Analysis – Dividend Growth<sup>1</sup>

This table illustrates the change in the dividend paid compared to the previous period to identify any trends.

Multi-Asset Funds	Investment Manager	Change from previous quarter %	Year on Year Percentage Change %				
			2023	2022	2021	2020	2019
Barclays Charity Fund	Barclays	1.7	4.2	11.0	(2.9)	(0.2)	(2.0)
Armed Forces Charities Growth & Income Fund <sup>2</sup>	BlackRock	1.1	3.6	3.8	1.9	2.0	0.7
Catholic Charities Growth & Income Fund <sup>2</sup>	BlackRock	1.0	5.5	4.6	(12.8)	17.1	1.4
Charities Growth & Income Fund	BlackRock	1.4	7.6	20.0	(6.5)	-	-
IFSL CAF ESG Cautious	LGT WM for CAF	4.4	-	-	-	-	-
IFSL CAF ESG Income & Growth	LGT WM for CAF	2.0	-	-	-	-	-
IFSL CAF ESG Growth	LGT WM for CAF	3.1	-	-	-	-	-
Charity Multi-Asset Fund <sup>2</sup>	Cazenove	0.1	0.9	0.8	1.6	(0.9)	2.5
Sustainable Charity Multi-Asset Fund	Cazenove	0.2	2.5	4.6	4.1	0.6	-
Catholic Investment Fund	CCLA	1.1	0.0	-	-	-	-
CBF Church of England Investment Fund	CCLA	0.6	0.0	3.0	3.0	3.0	3.0
COIF Charities Ethical Investment Fund	CCLA	0.8	0.0	2.0	2.1	2.0	1.9
COIF Charities Investment Fund	CCLA	0.4	0.0	2.0	2.0	2.0	2.0
Epworth Multi Asset Fund for Charities	Epworth	(3.9)	0.3	42.1	56.2	-	-
M&G Charity Multi Asset Fund	M&G	2.6	8.6	6.1	(5.7)	0.0	2.9
Newton Growth & Income Fund for Charities	Newton	(3.6)	10.0	(7.6)	32.9	(27.7)	8.5
Newton SRI Fund for Charities	Newton	(4.8)	15.7	(4.1)	20.0	(16.3)	19.9
Newton Sustainable Growth & Income Fund	Newton	(0.3)	20.0	16.8	(0.2)	(22.8)	8.7
Global Income & Growth Fund for Charities	Quilter Cheviot	2.8	3.1	3.2	-	-	-
Active Income and Growth Fund for Charities	Rathbones	0.2	7.8	16.2	(1.9)	(20.0)	10.2
Core Investment Fund for Charities	Rathbones	(0.6)	17.0	8.6	12.2	(18.6)	8.2
Charity Assets Trust	Ruffer	3.1	84.7	(18.2)	13.3	(27.7)	19.8
Sarasin Climate Active Endowments Fund	Sarasin & Partners	0.0	1.0	(5.1)	(6.8)	0.9	-
Sarasin Endowments Fund <sup>2</sup>	Sarasin & Partners	2.3	3.0	(3.2)	0.0	1.1	3.7
Sarasin Income & Reserves Fund <sup>2</sup>	Sarasin & Partners	(0.4)	7.4	1.6	(4.4)	(13.8)	5.2
Waverton Charity Growth & Income Fund	Waverton	1.2	20.1	14.8	(3.0)	-	-

### <sup>1</sup> Calculating Dividend Growth

The sum of the dividends paid, expressed in pence per share, over the most recent four quarters, divided by the sum of the dividends paid in the preceding four quarters expressed as a percentage figure.

## Additional Information – Dealing and Dividends

The table below gives administrative details on the funds including minimum initial investment and frequency of dealing.

Multi-Asset Funds	Investment Manager	Launch	Min Initial (£)	Min Addition (£)	Dealing Days	Share Classes	Dividend Payment
Barclays Charity Fund	Barclays	06/13	1,000,000*	20,000	Daily	Inc/Acc	Quarterly
Armed Forces Charities Growth & Income Fund	BlackRock	09/02	1,000	1,000	Daily	Inc/Acc	Quarterly
Catholic Charities Growth & Income Fund	BlackRock	10/06	5,000	1,000	Daily	Inc/Acc	Quarterly
Charities Growth & Income Fund	BlackRock	06/19	5,000	100	Daily	Inc/Acc	Quarterly
IFSL CAF ESG Cautious	LGT WM for CAF	06/22	1,000	1,000	Daily	Inc/Acc	Semi-Ann
IFSL CAF ESG Income & Growth	LGT WM for CAF	06/22	1,000	1,000	Daily	Inc/Acc	Semi-Ann
IFSL CAF ESG Growth	LGT WM for CAF	06/22	1,000	1,000	Daily	Inc/Acc	Semi-Ann
Charity Multi-Asset Fund	Cazenove	06/07	10,000	1,000	Daily	Dist/Acc	Quarterly
Sustainable Charity Multi-Asset Fund	Cazenove	08/18	10,000	1,000	Daily	Dist/Acc	Quarterly
Catholic Investment Fund	CCLA	04/21	1,000	None	Daily	Inc/Acc	Quarterly
CBF Church of England Investment Fund	CCLA	05/58	1,000	None	Weekly	Inc/Acc	Quarterly
COIF Charities Ethical Investment Fund	CCLA	12/09	1,000	None	Weekly	Inc/Acc	Quarterly
COIF Charities Investment Fund	CCLA	01/63	1,000	None	Weekly	Inc/Acc	Quarterly
Epworth Multi Asset Fund for Charities	Epworth	06/19	1,000	1,000	Daily	Inc/Acc	Quarterly
M&G Charity Multi Asset Fund	M&G	11/19	500	10	Daily	Inc/Acc	Quarterly
Newton Growth & Income Fund for Charities	Newton	11/01	5,000	2,500	Daily	Inc/Acc	Quarterly
Newton SRI Fund for Charities	Newton	05/10	5,000	2,500	Daily	Inc/Acc	Quarterly
Newton Sustainable Growth & Income Fund	Newton	02/14	5,000	2,500	Daily	Inc/Acc	Quarterly
Global Income & Growth Fund for Charities	Quilter Cheviot	01/20	100,000	-	Daily	Inc	Quarterly
Active Income and Growth Fund for Charities	Rathbones	07/12	10,000	2,000	Daily	Inc	Quarterly
Core Investment Fund for Charities	Rathbones	10/16	10,000	2,000	Daily	Inc	Quarterly
Charity Assets Trust	Ruffer	03/12	500	1 share	Weekly	Inc/Acc	Quarterly
Sarasin Climate Active Endowments Fund	Sarasin & Partners	02/18	1,000	250	Daily	Inc/Acc	Quarterly
Sarasin Endowments Fund <sup>2</sup>	Sarasin & Partners	08/05	1,000	250	Daily	Inc/Acc	Quarterly
Sarasin Income & Reserves Fund <sup>2</sup>	Sarasin & Partners	08/05	1,000	250	Daily	Inc/Acc	Quarterly
Waverton Charity Growth & Income Fund	Waverton	05/19	10,000	1,000	Daily	Inc/Acc	Quarterly

\*For clients of Barclays, otherwise £10m

## Additional Information – Pricing and Charges

The table below shows the quarter-end bid price and fee information for the funds. Note that AMC and 3<sup>rd</sup> Party Costs form part of the OCF. For full descriptions see the glossary.

Multi-Asset Funds	Investment Manager	Bid Price	Initial Charge	AMC	3 <sup>rd</sup> Party Costs	OCF <sup>2</sup>	% Annual Charge levied to	
							Income	Capital
Barclays Charity Fund	Barclays	136.40	Nil	0.25	0.30	0.61	-	100
Armed Forces Charities Growth & Income Fund	BlackRock	224.00	Nil	0.40 <sup>4</sup>	0.04	0.41	Combination	
Catholic Charities Growth & Income Fund	BlackRock	157.22	Nil	0.50 <sup>5</sup>	0.05	0.55	Combination	
Charities Growth & Income Fund	BlackRock	110.81	Nil	0.45 <sup>6</sup>	0.02	0.50	Combination	
IFSL CAF ESG Cautious	LGT WM for CAF	101.30	Nil	0.50	0.00	0.81	50	50
IFSL CAF ESG Income & Growth	LGT WM for CAF	114.80	Nil	0.50	0.00	0.59	-	100
IFSL CAF ESG Growth	LGT WM for CAF	117.70	Nil	0.50	0.00	0.61	100	-
Charity Multi-Asset Fund	Cazenove	111.70	Nil	0.42	0.00	0.83	Combination	
Sustainable Charity Multi-Asset Fund	Cazenove	71.36	Nil	0.45	0.00	0.67	Combination	
Catholic Investment Fund	CCLA	161.86	Nil	0.60	0.22	0.82	-	100
CBF Church of England Investment Fund	CCLA	2326.23	Nil	0.55	0.27	0.82	-	100
COIF Charities Ethical Investment Fund	CCLA	309.49	Nil	0.60	0.30	0.90	-	100
COIF Charities Investment Fund	CCLA	2034.18	Nil	0.60	0.29	0.89	-	100
Epworth Multi Asset Fund for Charities	Epworth	114.31	Nil	0.60	0.27	1.12	-	100
M&G Charity Multi Asset Fund	M&G	11858.81	Nil	0.50	0.00	0.50	Combination	
Newton Growth & Income Fund for Charities	Newton	177.16	Nil	0.60	N/A <sup>7</sup>	0.62	-	100
Newton SRI Fund for Charities	Newton	199.75	Nil	0.65	N/A <sup>7</sup>	0.81	-	100
Newton Sustainable Growth & Income Fund	Newton	172.60	Nil	0.60	N/A <sup>7</sup>	0.72	-	100
Global Income & Growth Fund for Charities	Quilter Cheviot	115.90	Nil	0.50	0.25	0.85	-	100
Active Income and Growth Fund for Charities	Rathbones	143.74	Nil	0.30	0.15	0.50	-	100
Core Investment Fund for Charities	Rathbones	130.34	Nil	0.30	0.12	0.48	-	100
Charity Assets Trust	Ruffer	167.96	Nil <sup>1</sup>	1.00	0.00	1.15	50	50
Sarasin Climate Active Endowments Fund	Sarasin & Partners	128.50	Nil	0.75	0.15	0.99	-	100
Sarasin Endowments Fund <sup>2</sup>	Sarasin & Partners	125.80	Nil	0.69 <sup>3</sup>	0.15	0.99	-	100
Sarasin Income & Reserves Fund <sup>2</sup>	Sarasin & Partners	96.56	Nil	0.69 <sup>3</sup>	0.11	0.95	-	100
Waverton Charity Growth & Income Fund	Waverton	130.14	Nil	0.60	0.14	0.84	-	100

<sup>1</sup>For eligible charities

<sup>2</sup>All firms have confirmed that VAT is included in the OCF calculation where applicable unless separately indicated. OCF figures are the latest available at time of publication.

<sup>3</sup>Based on £5m investment see objectives on p.14 for full fee scale

<sup>4</sup>0.4% on first £200m; 0.35% on fund balances thereafter

<sup>5</sup>0.5% on first £200m; 0.45% on fund balances thereafter

<sup>6</sup>0.45% on first £200m; 0.40% on fund balances thereafter

<sup>7</sup>In line with regulatory guidance, the fund operator does not incorporate indirect costs into both the funds' OCFs as stated in the respective KID, nor any costs and charges disclosures made in relation to the fund.

## Fund Objectives

### Barclays Charity Fund - Barclays

The Trust seeks to provide income and capital growth over the long term (a period of at least 10 years).

### Armed Forces Charities Growth & Income Fund — BlackRock

The aim of the Sub-Fund is to provide a return on your investment (net of fees) over a period of 5 or more consecutive years beginning at the point of investment, generated through an increase in the value of the assets held by the Sub-Fund and/or income received from those assets. In December 2019, following unitholder approval, BlackRock converted all six remaining BlackRock Common Investment Funds (CIFs) to the Charity Authorised Investment Fund (CAIF) structure. The funds have changed name in the process.

### Catholic Charities Growth & Income Fund — BlackRock

The aim of the Sub-Fund is to provide a return on your investment (net of fees) over a period of 5 or more consecutive years beginning at the point of investment, generated through an increase in the value of the assets held by the Sub-Fund and/or income received from those assets whilst adhering to the Sub-Fund's ethical investment policy. In December 2019, following unitholder approval, BlackRock converted all six remaining BlackRock Common Investment Funds (CIFs) to the Charity Authorised Investment Fund (CAIF) structure. The funds have changed name in the process.

### Charities Growth & Income Fund — BlackRock

The aim of the Sub-Fund is to provide a return on your investment (net of fees) over a period of 5 or more consecutive years beginning at the point of investment, generated through an increase to the value of the assets held by the Sub-Fund and/or income received from those assets whilst adhering to the Sub-Fund's ESG Policy.

### SUTL Cazenove Charity Multi-Asset Fund — Cazenove Charities

The Charity Multi-Asset Fund aims to protect the real capital value over the long-term whilst generating a stable and sustainable total return distribution. Note that the fund converted from a CIF to a CAIF in June 2018, so the historical performance shown in this report is taken from the previous version of the fund.

### SUTL Cazenove Sustainable Charity Multi-Asset Fund — Cazenove Charities

The SUTL Cazenove Charity Sustainable Multi-Asset Fund aims to provide income and capital growth in line with the Consumer Price Index + 4% per annum (net of fees) over rolling ten-year periods by investing in equities, bonds and alternative assets worldwide. This cannot be guaranteed and your capital is at risk.

### Catholic Investment Fund — CCLA

The fund's investment objective is to provide a total return (growth in capital and income) before the deduction of any fees, costs or expenses, of inflation (as measured by the consumer price index) plus 5% per year over the long-term (defined as 5 years). There is no guarantee that this will be achieved and you could lose the money you have invested.

### COIF Charities Investment Fund — CCLA

This Fund is designed to provide capital growth and rising income over time. The portfolio is invested mainly in equities but will also include fixed interest securities, property and other assets.

### **The CBF Church Of England Investment Fund — CCLA**

This Fund is designed to provide capital growth and rising income over time from a portfolio managed in accordance with the Church of England's ethical investment policy. The portfolio is invested mainly in equities but also has holdings in property, infrastructure and fixed interest.

### **COIF Charities Ethical Investment Fund — CCLA**

The Fund is intended to provide capital growth and rising income over time. In order to achieve this the portfolio is mainly invested in equities at home and overseas although there are significant holdings in other asset classes such as property, infrastructure and fixed income.

### **IFSL CAF ESG Cautious Fund – LGT WM for Charities Aid Foundation**

The aim of the Fund is to increase the value of an investment over a minimum of 5 years through a combination of capital growth - which is profit on investments held, and income received by the Fund - which is money paid out of investments, such as dividends from shares and interest from bonds. The Fund also aims to deliver, over any rolling 5 year period, an average of inflation plus 1.5% per annum.

### **IFSL CAF ESG Income and Growth Fund – LGT WM for Charities Aid Foundation**

The aim of the Fund is to increase the value of an investment over a minimum of 5 years through a combination of capital growth - which is profit on investments held, and income received by the Fund - which is money paid out of investments, such as dividends from shares and interest from bonds. The Fund also aims to deliver, over any rolling 5 year period, an average of inflation plus 3% per annum.

### **IFSL CAF ESG Growth Fund – LGT WM for Charities Aid Foundation**

The aim of the Fund is to increase the value of an investment over a minimum of 5 years through a combination of capital growth - which is profit on investments held, and income received by the Fund - which is money paid out of investments, such as dividends from shares and interest from bonds. The Fund also aims to deliver, over any rolling 5 year period, an average of inflation plus 4% per annum.

### **Epworth Multi Asset Fund for Charities – Epworth Investment Management**

The fund seeks income and capital growth by direct or indirect investing in a balanced portfolio of ethically screened global equities and sterling bonds and other asset classes. The fund invests in a number of asset classes using other funds managed by Epworth, funds managed by other managers or by directly investing into equities and fixed interest securities. The fund may also invest in, or hold, cash or near cash. Direct investments may be excluded from selection by ethical screening based on Epworth's Christian principles - see Epworth's website for details. Indirect investments may be used to give exposure to non-sterling bonds, commercial property, infrastructure, private equity and absolute return strategies.

### **M&G Charity Multi Asset Fund – M&G Investments**

The fund aims to provide a level of capital growth and income that is higher, net of the Ongoing Charge Figure, than that of a composite index over any five-year period; and an annual yield of at least 3%.

The composite index is 45% FTSE All-Share Index, 30% MSCI ACWI (ex UK) Index, 12.5% ICE BoAML 1-15 Gilt Index, 12.5% ICE BoAML 1-15 Non-Gilt Index. There is no guarantee that the fund will achieve its objective over this, or any other, period and investors may not get back the original amount they invested.

## The Newton Growth & Income Fund for Charities — Newton Investment Management

The Fund aims to generate capital growth and income growth over a period of 5-7 years by investing at least 70% of the Fund's assets in a global portfolio of equities (company shares) and fixed-income securities.

A composite index comprising 50% FTSE All-Share Index, 25% FTSE World ex UK Index, 20% FTSE Actuaries UK Conventional Gilts All Stocks Index and 5% LIBID GBP 7 Day is used as a comparator against which to measure the performance of the Fund. The portfolio holdings of the Fund will not be limited to components of this index and the investment manager will use its discretion to invest outside the index in pursuit of the Fund's investment objective. The authorised corporate director considers the composite index to be an appropriate comparator because it includes a broad representation of the asset classes, sectors and geographical areas in which the Fund predominantly invests.

Simulated performance [from 12/11/01 to 09/05/14] is based on the actual past performance of the GBP Income share class of the Global Growth & Income fund for Charities (GGIF), a common investment fund with substantially the same investment objectives, policies and strategies as the new Non-UCITS Retail Scheme (NURS): Newton Growth and Income Fund for Charities. Newton Investment Management Limited, the investment manager of the Newton Growth and Income Fund for Charities, was also the Investment Manager of GGIF. The GGIF was closed for winding up on 9 May 2014, and the majority of unit holders representing 99% of the GGIF's assets under management were transferred to the Newton Growth and Income fund for Charities at its launch on 9 May 2014.

## The Newton SRI Fund for Charities — Newton Investment Management

The objective of the Fund is to optimise the total return (being a combination of capital growth and income) for charity investors, through a global and balanced portfolio screened against negative socially responsible investment criteria. The Fund is actively managed, investing in equities and fixed interest securities on a global basis with the aim of providing a balance between capital growth and income.

A composite index comprising 37.5% FTSE All-Share Index, 37.5% FTSE World ex UK Index, 20% FTSE Actuaries UK Conventional Gilts All Stocks Index and 5% LIBID GBP 7 Day is used as a comparator against which to measure the performance of the Fund. The portfolio holdings of the Fund will not be limited to components of this index and the investment manager will use its discretion to invest outside the index in pursuit of the Fund's investment objective. The authorised corporate director considers the composite index to be an appropriate comparator because it includes a broad representation of the asset classes, sectors and geographical areas in which the Fund predominantly invests.

## Newton Sustainable Growth & Income Fund — Newton Investment Management

The Sub-Fund aims to generate capital growth and income over the long term (5 years or more). The Sub-Fund is actively managed and invests at least 70% of the portfolio in global equities (company shares), including ordinary shares, preference shares and other equity-related securities and fixed income securities (bonds). Exposure to these asset classes will be achieved through investment in transferable securities, money market instruments, warrants, derivatives (including but not limited to currency-related derivatives). The Sub-Fund does not have any restrictions on the portion of the Sub-Fund allocated to any of these asset classes. The Sub-Fund may invest in bonds rated below investment grade (BBB-) by Standard & Poor's (or equivalent recognised rating agency). All investments will be expected to conform to the Investment Manager's sustainability criteria, where environmental, social, governance ("ESG") is an integral part of the criteria. The Investment Manager focuses on investments issued by governments, other public entities and companies (together the "issuers") that demonstrate sustainable business or operating practices and an ability to generate returns consistent with the Sub-Fund's objective. Sustainable business or operating practices are those which positively manage the material impacts of an issuer's operations and products on the environment and society. The Sub-Fund adopts a policy of making no direct investment in companies that derive more than 10% of turnover from the production and sale of tobacco. The Sub-Fund may also gain exposure to company shares and bonds through investment in other collective investment schemes (which may include those which are managed or operated by the Investment Manager or an associate of the Investment Manager) and invest in cash and deposits. To the extent the Sub-Fund gains exposure to infrastructure, renewable energy, property or commodities, such exposure may be through exchange listed securities, transferable securities and/or collective investment schemes. The Sub-Fund may invest in any geographic or economic sectors of the world. Any use of derivatives will be for efficient portfolio management purposes and hedging only. It is not expected that the use of derivatives will materially affect the overall risk profile of the Sub-Fund.

## Quilter Cheviot Global Income and Growth Fund for Charities – Quilter Cheviot

The fund's objective is to grow both the capital value and provide income over the long-term.

- Deliver an annualised total return of 3.5% above the UK Consumer Price Index over the medium term through exposure to a diversified range of asset classes.
- The Fund invests in a mix of direct equities (UK, US and Europe primarily) and bonds, and uses third party funds to gain exposure to specialist areas such as property, infrastructure and also to equities in other geographic areas.

The fund does not invest in companies whose primary business is producing or manufacturing tobacco; and as a company Quilter Cheviot does not invest in businesses which make controversial weapons.

## The Rathbones Active Income and Growth Fund for Charities– Rathbones

The fund's objective is to achieve a total return of between 3% and 4% above the Consumer Price Index (CPI) over a rolling three-year period. The fund has a targeted risk budget of two-thirds of the volatility of global equities as measured by the MSCI World Equity index. In short the fund seeks to achieve equity-like returns with less than equity risk, together with a sustainable income yield. The fund is subject to certain ethical investment constraints and will aim not to have any direct exposure to companies that generate more than 20% of their turnover from tobacco, gambling, high interest rate lending or pornography.

## The Rathbones Core Investment Fund for Charities – Rathbones

The fund's objective is to achieve long term capital growth and a level of income employing a total return approach. The fund will not invest directly in companies manufacturing tobacco or tobacco products, or companies that derive more than 10% of their revenues from the manufacture of alcoholic beverages, armaments, gambling, high interest rate lending or pornography. Composite Benchmark: 35% FTSE All-Share, 35% FTSE All-World (ex UK), 18% FTSE UK Gilts All Stock, 5% IA Property Sector, 5% 3-month GBP LIBOR +2%, 2% 7-day LIBOR Index. The benchmark has been changed, effective from 31.01.2018 from 35% FTSE All-Share, 35% FTSE All-World (ex UK), 18% FTSE UK Gilts All Stock, 5% FTSE All UK Property, 5% 3-month GBP LIBOR +2%, 2% 7-day LIBOR Index.

## Charity Assets Trust— Ruffer

The fund aims to achieve low volatility and positive returns from an actively managed portfolio of different asset classes, including equities, bonds and currencies. Pervading this objective is a fundamental philosophy of capital preservation. The fund has a responsible investment policy which restricts investment in alcohol, armaments, gambling, pornography and tobacco.

## Sarasin Climate Active Endowments Fund — Sarasin & Partners

The Fund seeks to grow by 4% per year more than the Consumer Prices Index (CPI) over a rolling 5 year period after deducting fees and costs. This target is not guaranteed over any period of time and the Fund could lose value.

## Sarasin Endowments Fund — Sarasin & Partners

Formerly The Alpha CIF for Endowments, which converted from a CIF to a CAIF in January 2018. We aim to generate an absolute return of CPI + 4-4.5% per annum. This absolute target return is then reflected in a bespoke index-based benchmark. Fee scale: 0.75% on the first £3m; 0.60% on the next £2m; 0.40% on the next £15m; 0.35% on the next £15m; 0.275% above £35m.

## Sarasin Income & Reserves Fund — Sarasin & Partners

Formerly The Alpha CIF for Income & Reserves, which converted from a CIF to a CAIF in January 2018. The investment objective of the Fund is to achieve a consistently attractive level of income coupled with the potential for long term capital appreciation, whilst aiming to preserve the value of capital over the shorter term for UK registered charities only. Fee scale: 0.75% on the first £3m; 0.60% on the next £2m; 0.40% on the next £15m; 0.35% on the next £15m; 0.275% above £35m.

## LF Waverton Charity Growth & Income Fund

The fund aims to deliver a total return (the combination of income and capital growth) equal to Consumer Price Index plus 3% per annum net of fees over rolling six year periods.



## Investment Manager Contact Summary

The table below offers a summary of the contact information for each investment manager represented in this publication.

Investment Manager	Contact	Email	Number	Website
Barclays	Scott Farnetti	scott.farnetti@barclays.com	0203 555 6292	<a href="http://www.wealth.barclays.com">www.wealth.barclays.com</a>
BlackRock	Luke Twyman	luke.twyman@blackrock.com	020 7743 1415	<a href="http://www.blackrock.com">www.blackrock.com</a>
Cazenove Charities	Jeremy Barker	Jeremy.Barker@cazenovecapital.com	0207 658 1107	<a href="http://www.cazenovecharities.com">www.cazenovecharities.com</a>
CCLA Investment Management Ltd.	Sharika Sharma	Sharika.Sharma@ccla.co.uk	020 7489 6102	<a href="http://www.ccla.co.uk">www.ccla.co.uk</a>
Charities Aid Foundation	Mark Morford	mmorford@cafonline.org	0300 0123 321	<a href="http://www.cafonline.org">www.cafonline.org</a>
Epworth Investment Management	Simon Woolnough	s.woolnough@epworthim.com	07778 218 824	<a href="http://www.epworthim.com">www.epworthim.com</a>
M&G Investments	Richard Macey	Richard.macey@mandg.co.uk	020 8162 3623	<a href="http://www.mandg.com/investments/charities/en-gb">www.mandg.com/investments/charities/en-gb</a>
Newton Investment Management	Sarah Dickson	sarah.dickson@newtonim.com	020 7163 2224	<a href="http://www.newtonim.com/uk-charities">www.newtonim.com/uk-charities</a>
Quilter Cheviot	Charles Mesquita	charles.mesquita@quiltercheviot.com	020 7150 4386	<a href="http://www.quiltercheviot.com">www.quiltercheviot.com</a>
Rathbones	Melanie Wotherspoon	melanie.wotherspoon@rathbones.com	0207 399 0440	<a href="http://www.rathbones.com">www.rathbones.com</a>
Ruffer	Ajay Johal	ajohal@ruffer.co.uk	020 7963 8110	<a href="http://www.ruffer.co.uk">www.ruffer.co.uk</a>
Sarasin & Partners	Richard Maitland	richard.maitland@sarasin.co.uk	020 7038 7053	<a href="http://www.sarasinandpartners.com">www.sarasinandpartners.com</a>
Waverton	Isobel Fraser	ifraser@waverton.co.uk	020 7484 7485	<a href="http://www.waverton.co.uk">www.waverton.co.uk</a>

## Services for Charities

Are you confidently meeting all your Trustee responsibilities?

Asset Risk Consultants (a member of the ARC Group) is a leading Investment Consultant for Charities. Asset Risk Consultants is one of the only Investment Consultants able to support trustees in every aspect of their investment duties.

## How can ARC help?

**Performance review:** Are you getting the best out of your investment manager? Asset Risk Consultants can place your investment performance into context of your objectives, benchmarks and peer group so you can understand if you are getting the best.

**Investment audit:** Comfort that your manager's performance is acceptable and the framework is appropriate. A performance review plus an in depth analysis of investment policy statement, objectives and guidelines, as well as a comparison of potential outcomes versus income and capital growth aspirations; and assessment of manager style, structure and suitability.

**Manager selection:** Help finding the best investment manager(s) for you. Due diligence, creation of a short list, contrasting, selecting, negotiating terms and appointment of the most appropriate discretionary manager(s).

**Investment consulting:** an ongoing partnership with Asset Risk Consultants. All of the above, plus an optional global custody solution, delivered under an ongoing service contract.

## ARC Contacts

For all things charity related, please contact us:

Email: [charities@assetrisk.com](mailto:charities@assetrisk.com)

Direct: +44 (0) 203 946 2860

By post: Asset Risk Consultants (UK) Limited, 46 Chancery Lane, London WC2A 1JE

Website: [www.assetrisk.com](http://www.assetrisk.com)

## Glossary

**3rd Party Costs** - Part of the OCF. Fees incurred on investments made with other investment managers. For example if the fund invests in another fund that fund may also charge a fee.

**Absolute Risk** - Absolute risk (or volatility) is computed as the annualised standard deviation of the absolute returns earned by a fund over a three-year period. As such it gives an indication of how dispersed the returns have been from the average return. A fund with a high absolute risk has exhibited greater uncertainty of return than a fund with a low absolute risk. Absolute risk is essentially driven by the asset types to which the fund is exposed.

**AMC** - Annual Management Charge (AMC) is the fee charged each year by the investment manager. AMC is given as a percentage figure (e.g. 1%) which is charged as a proportion of the total value of a client's investment. AMC forms part of the OCF.

**Annual Returns** - Annual returns take into account changes in the capital value of assets (whether these changes are realised or not) together with the income they have earned over the period. E.g. a return of 10%, may reflect approximately a 6% increase in the capital value and a 4% return from income earned. The total return can be negative as well as positive.

**Annualised Returns** - For periods of more than one year, the annualised return represents the average return which would have been required each year to generate the total return over the period.

**ARC Charity Indices (ACI)** - The ACI are a set of four Sterling denominated peer group indices compiled by Asset Risk Consultants (ARC). They are specifically designed to be used by charity trustees and advisers in assessing the performance of a charity's investment portfolio performance. The Indices provide an insight into the actual returns being generated by investment managers constructed using data from 37 contributors and over 4,000 charity portfolios.

**Asset Mix** - The percentage of the total assets by market value which are invested in each investment category.

**Bid Price** - The price at which the fund could be sold at the quarter end

**Common Investment Funds** - Commercially available Common Investment Funds (CIF) are primarily a convenient means for smaller charities to invest in the stock market. There is almost £15 billion currently invested in CIFs. CIFs are not unlike unit trusts in that charities hold units in an underlying pool of investments, and can buy or sell these units on a specified date at a price fixed by applying a formula to the value of underlying investments and the numbers of units in issue. CIFs are charities in their own right so they are only open to charity investors.

**Dividend Growth** - The calculation for Dividend Growth is the sum of the four most recent quarterly distributions, divided by the sum of the four preceding quarterly distributions.

**Initial Charge** - Some funds charge a fee up front for investing.

**Market Indices** - To provide an indication of market sector returns, wherever possible we have used the performance of BlackRock’s iShares ETF products according to the table below:

Index	iShares ETF	Start Date
UK Equities	iShares FTSE 100 UCITS ETF	29/01/2010
International Equities	iShares Core MSCI World UCITS ETF	30/09/2010
UK Sovereign Bonds	iShares Core UK Gilts UCITS ETF	29/12/2006
UK Corporate Bond	iShares Core Corporate Bond UCITS ETF	30/06/2006
UK Property	iShares UK Property UCITS ETF	30/03/2007
Cash	GBP 1 Month Cash	30/06/2006

**Relative Risk** - Relative risk is calculated by establishing the annualised three year standard deviation of excess returns over cash for each fund and dividing that by the same figure for UK equities and that figure may be stated as a percentage (e.g. relative risk of 0.5 is 50% of equity risk). Thus, each fund may be placed into a peer group according to its relative risk to equities.

**Sharpe Ratio** - The best known quantitative measure of risk-adjusted return, calculated by subtracting the risk-free rate of return (cash) from the fund return and then dividing the result by the fund’s absolute risk. The higher a fund’s ratio, the better the fund’s historical risk-adjusted performance, i.e. a high number means more return per unit of risk. A fund’s Sharpe ratio can be compared with other (like) funds to determine how well the fund converted risk (volatility) into additional return.

**Ongoing Charges Figure (OCF)** - Ongoing Charges Figure is intended to give an idea of the overall annual cost drag on the investment. OCF includes the AMC and other charges such as custody, administration and 3<sup>rd</sup> Party costs. Expenses charged to the fund during the year, divided by the net asset value, expressed as a percentage.

**Yield** - The Yield can be expressed as the income declared per unit held as a percentage of the price of the fund.

## Disclaimer

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