

Quilter Cheviot's Review for Charities

Issue 1 - 2025

Inside:

and more...

Introduction

Welcome to the first review of 2025. This edition features insightful contributions from our charity-sector specialists, showcasing our dedication and passion for the sector.

The front cover graphic captures the current mood perfectly – stormy, challenging, yet still exhilarating. To help you navigate the many challenges we face, our own Suneet Kumar and James Harvey challenge the notion that ‘cash is king’. Elsewhere, Mark Heaton, of KM Chartered Accountants gives a useful refresher on what to look for in a charity accountant – as a charity treasurer myself, a topic noted with much interest.

Caroline Dukulay, of Acorns Children’s Hospice, discusses volunteer strategies, while Callum Craig, from our Birmingham office, reflects on his day volunteering at the hospice. According to Government statistics, he is one of over 16 million individuals volunteering at organisations across England and Wales.

Ben Barringer, our technology analyst, in between a break from his many media appearances, considers the role of AI in future management of charity investment portfolios, whilst Celine McStravick, CEO of Northern Ireland Council for Voluntary Action (NICVA), reflects on the challenging environment and how trustees and organisations can adapt and respond. This issue also introduces a new regular feature, ‘Granting Change’, where Sarah Osato, charity investment manager by day, updates us on the incredible achievements of The Quilter Foundation.

And finally, we feature a Q&A with Howard Jenner, Fund Manager of the Quilter Cheviot Global Income and Growth Fund for Charities, as he reflects on the Fund’s remarkable journey in celebration of its 5th anniversary this year.

We hope you enjoy reading the articles; we always appreciate and welcome your feedback, alongside thoughts on other areas that we might look to cover in future editions.

If this edition leaves you wanting more, also included are details of our bimonthly podcast, **CharitEpulse** where Catherine Rustomi, James Saunders and Charles Mesquita dissect issues affecting charities, nonprofits and voluntary organisations and our monthly newsletter, **trustEnews**, which aims to keep you informed about the latest sector news and regulations.



William Reid

William Reid
Head of Charities



To find out more about our specialist charity investment services, or to speak to a member of the charities team, contact us:

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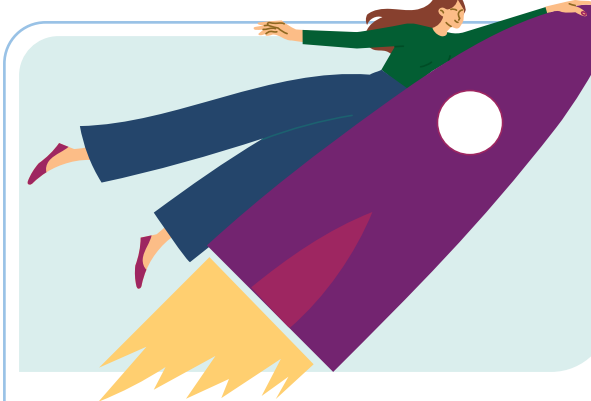
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Resources for Charities

Explore our dedicated charity resources here.



If you would like to contribute as a guest author for an upcoming issue of our Review for Charities, email: charities@quiltercheviot.com



The Quilter Cheviot Global Income & Growth Fund for Charities



Howard Jenner

Executive Director & Fund Manager,
Quilter Cheviot

Inflate the balloons, bake a cake and light the candles, because we are celebrating the Quilter Cheviot Global Income & Growth Fund for Charities' 5th birthday! To mark this exciting milestone, we sat down with Fund Manager Howard Jenner, to reflect on the Fund's remarkable journey.

Q: What is the Quilter Cheviot Global Income & Growth Fund for Charities?

A: Think of the Quilter Cheviot Global Income & Growth Fund for Charities* (the Fund) as a 'Swiss Army knife' of charity investing – versatile, efficient, and ready to tackle all challenges. It is a multi-asset Charity Authorised Investment Fund (CAIF) with a medium risk profile, well suited for charities that want to diversify their long term reserves in an efficient, convenient and cost-effective way.

Q: What makes the Fund so special?

A: The Fund truly offers the best of both worlds – the convenience of a multi-asset investment solution, combined with the personalised attention and high level of service you would expect from all of Quilter Cheviot's direct investment portfolios. Imagine having your cake and eating it too!

Q: How does the Fund tackle changing markets?

A: Interest rate changes have had one of the biggest influences on asset prices over the past five years, shaping our asset allocation, especially in fixed interest and alternative asset classes. We are constantly evaluating our sectoral positioning and prefer not to stick to one investment style like "growth" or "value." Flexibility is key to navigating market cycles and achieving healthy returns over the long-term.

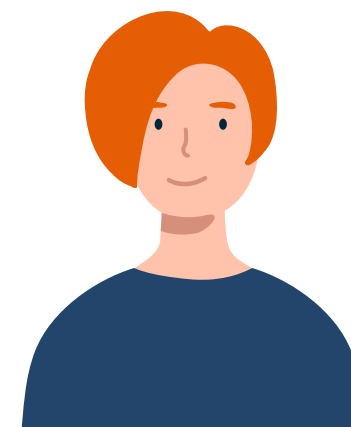
Q: What are the most common misconceptions about investing in a charity fund?

A: Many believe that by joining a fund, they will miss out on that personalised and client-centric service Quilter Cheviot is renowned for. I can assure you, this could not be further from the truth!

Instead, we bring that personal touch directly to the Fund; because when we say you get the best of both worlds, we mean it. With us, you receive the high-level service and attention to detail, with your charity at the absolute centre, to ensure that your charity's investments are in safe hands.

Q: How do you ensure transparency and communication with the Fund investors?

A: Transparency and communication are top priorities for us. We share quarterly investment reviews, monthly factsheets, and we provide opportunities for investors to 'Meet the Manager'. It is all about keeping everyone in the loop and ensuring that our clients are well-informed about their investments.



“ We believe that wealth management goes beyond solely managing assets; it involves truly understanding our clients.”

Q: How do you balance income generation with growth in the Fund portfolio?

A: Variety is everything when investing, and the Fund is no different. We do not limit ourselves to one type of investment. Instead, we combine holdings aimed at capital appreciation, such as cutting-edge tech stocks, alongside companies and assets that provide a steady and reliable income stream. This way, we ensure our clients' investments are working hard on both fronts – growing their capital while generating consistent income. It is a dynamic duo that strives to keep the portfolio robust and versatile.

Q: Can you explain the risk management strategies employed by the Fund?

A: We understand how important our clients' investments are, and so we take the utmost care to make sure we manage risk effectively. With oversight from Quilter Cheviot and Authorised Corporate Director, Quilter Investors, we meticulously follow rules regarding investment size and concentration risks, conduct scenario planning and strategy back-testing, and ensure asset class diversification. This comprehensive approach helps us manage risk effectively and protect our clients' investments, allowing them to chart a path towards their goals.

Q: In regard to the Fund, what is success to you?

A: Success to me is simple: happy and prosperous clients. When our clients are satisfied and see the positive impact of their investments, we know we are doing something right.

To do so, we believe that wealth management goes beyond solely managing assets; it involves truly understanding our clients' unique needs, aspirations, and values. Only then can we deliver a comprehensive, high-quality service that empowers our clients to achieve their financial goals.

Q: What financial sectors are you most excited about for the Fund's future growth?

A: I am particularly excited about the technology and healthcare sectors. In fact, the healthcare sector is projected to grow at a compound annual growth rate of 7.9% up to 2028! Energy transition also presents both opportunities and challenges for several energy and industrial businesses. These sectors are dynamic and have the potential to drive significant growth for the Fund.

Q: What advice would you give to charities considering investing in a CAIF for the first time?

A: Firstly, make sure that investing in risk assets is appropriate for an element of your charity's long term reserves. Then, consider what level of risk and investment objective aligns best with your charity's needs. It is important to have a clear understanding of your financial goals in order to be clear about how a CAIF can help you achieve them.

This can be a bit complex to navigate; and that is where we can help. Reach out to us, and we can discuss whether investing in a CAIF is the right choice for your charity.

Q: And finally, why should our readers consider the Quilter Cheviot Global Income & Growth Fund for Charities for their new fund?

A: If your charity is seeking a medium risk profile that delivers to its long term objectives, the Fund could be an excellent fit.

Our high-level service ensures that you are not just a number; you are at the heart of everything we do. We support you every step of the way, providing the personalised attention to detail that Quilter Cheviot prides itself on.

But do not just take my word for it...



Find out for yourself: Our 'Meet the Manager' event is a perfect opportunity to meet the people you would be working side-by-side with to shape your charity investment portfolio. Sign up to our next event or contact our team using the links below:



Date: 22 October 2025

Timings:

- 12.00pm – Registration & networking
- 12.15pm – Meet the Manager & lunch
- 2.00pm – Finish

Venue:

Senator House
85 Queen Victoria Street
London
EC4V 4AB
United Kingdom



Who is this event for?

This event is exclusively for charities and is ideal for trustees and senior management.

Register

I want to speak to an Investment Manager

Download our brochure for a complete overview of the Fund **here**

*Only UK charities can invest in the Fund.



Can AI be the future for charity investment portfolios?



Ben Barringer

Global Technology Analyst,
Quilter Cheviot

Artificial intelligence (AI) has been on the lips of every business around the world ever since Chat GPT launched in late 2022 and started the adoption we are now experiencing.

Its uses and risks are well discussed, if a little overstated given its still nascent stage. But it is clear the impact it has had to date – and will have in the future – is profound.

But AI is not a recent phenomenon. It has existed in some guise since the 1950s, but its capability and accessibility have greatly increased in the past few years. It has been the creation and advancement of cloud computing that has provided AI with a supercharge and opened doors previously blocked, while the development of massive data sets has facilitated the increasingly effective use of AI and most recently generative AI.

Take ChatGPT, for instance. Information is fed into a system trained to answer questions and produce content.

This relies heavily on access to a huge amount of data. This can be both its strength and its weakness, with accuracy still not 100%. AI, therefore, is undoubtedly a handy tool for certain activities, but a panacea it is not.

As is the case with anything data-based, the quality of the data is the key driver of a model's accuracy. Most organisations find this challenging, as AI is only as good as the data you give it and the patterns it can identify within that data. Therefore, most organisations will need to “clean” their data in order to get the best results from the model. It will be an expensive activity to get right, so as investors we are likely to witness some businesses' false starts on its use cases and see them start to get it right over time.



“ It is not surprising that some of the best investment opportunities lie in the big players in data storage and processing. ”

Where to invest

It is not surprising that some of the best investment opportunities lie in the big players in data storage and processing. A precondition of generative AI is having data stored in the cloud, which naturally suits the largest companies in this space: Amazon Web Services, Google Compute Platform and Microsoft Azure.

There are also potentially tremendous opportunities from companies producing the components that go into those data centres. Nvidia has seen an incredible share price performance over the past couple of years, while firms such as TSMC, AMD, Samsung and Micron are also world-class technology companies, developing core components such as memory solutions and chips.

Then there are companies which can infuse AI into their software, such as Salesforce, Microsoft, Intuit and SAP. These firms have the benefit of operating in a ‘sticky’ market, where it is difficult for people to move to competitors. Critically, these companies also have large amounts of data and knowledgeable AI scientists giving them that all-important expertise.

AI has helped to sustain the rally in the Magnificent Seven tech stocks. Demand for AI shows no sign of slowing down, so while valuations remain above the market at many of these companies, it is for good reason, better growth.

Charitable considerations

For charity portfolios, however, there are some potential stumbling blocks that may warrant further consideration. The ethics around AI and the sustainability implications remain at an early stage. As is often the case with technology regulation, it is challenging because regulators are trying to develop laws for today but, by the time the legislation has been passed, the technology has moved on significantly. Furthermore, in a world of slowing global growth, countries do not want to be seen to stifle what is a young, vibrant sector.

Regulation has a lot to address, though. How companies handle the data used to feed the models will be critical, particularly in a world full of cyber threats. How the models are implemented will be scrutinised closely – for example, do they discriminate against certain demographics or cohorts; do their algorithms potentially cause more harm than good; or is the model safe to use within the public realm?

It will not just be tech providers that need to answer this question. Every business that uses AI in some capacity will need to evidence what good looks like within their corporate policies. Investors must closely scrutinise this to manage risk.

Finally, and perhaps the biggest question of all – is AI sustainable? There are pros and cons, as AI can deliver considerable efficiency but is a growing users of power. In Dublin, which has one of the biggest data-centre footprints in Europe, 40% of the city’s energy is used to power these centres. Big tech has been vital to improve access to the digital world, but the energy cost is significant and rising. We have questioned whether the likes of Microsoft can deliver AI and still achieve its sustainability commitments, and is a situation we will monitor to ensure they are staying true to their targets.

Ultimately, organisations and individuals must explore what AI could offer them if they are to receive any of the potential benefits. Otherwise you are in danger of being left behind. It is imperative to understand the tool and its capabilities so that it becomes something which is embedded in the way we run our lives. Substituting human capital is nothing new. The printing press, the plough and the steam engine all revolutionised the way we work, showing how good technology is at performing more mundane tasks.

There are a number of considerations to factor in when assessing the investment opportunity for charities, as well as the benefits to working practices. While big tech carries some of the associated risk some of it will ultimately fall on the user and charities need to consider whether they are comfortable with this before embedding AI into their operating model.

The genie is out of the bottle. Now, the question is if it can be managed effectively.



Upcoming webinar...

Join us for an exclusive webinar, designed for trustees, where we will delve into the potentially transformative power of AI for charities. During the discussion, Ben and guest speakers will take a deep dive into how AI can revolutionise charitable operations and the investment opportunities.

To secure your spot, click **here**.



Preparing for future challenges



Celine McStravick
Chief Executive,
Northern Ireland Council for
Voluntary Action (NICVA)



In recent years, Northern Ireland's voluntary and community sector has faced unprecedented challenges, yet it remains one of the most resilient forces for social good in our society.

From economic and political instability to increasing demand for services and the need for digital transformation, our sector continues to be a steady hand in uncertain times. However, to continue fulfilling this vital role, we need to ensure that charities have the support and resources required to adapt, grow, and thrive.

At Northern Ireland Council for Voluntary Action (NICVA), we believe innovation, workforce development, and good governance are fundamental to building resilience in our sector. Trustees, as strategic leaders, play a crucial role in helping their organisations navigate this shifting landscape.

So, what key challenges do we see on the horizon and how can trustees and organisations adapt and respond?

1. Economic instability

Our sector has always faced economic pressures. However, rising operational costs and reduced public funding are making it even more challenging for charities to sustain their services. Last year, the reinstatement of the Department of Health's Core Grant and the more recent extension of the UK Shared Prosperity Fund brings a welcome reprieve, yet one that is temporary.

Trustees should develop diverse, sustainable funding models and explore long-term strategies for financial stability. Charities are increasingly exploring diverse funding streams, including social enterprises and partnerships with private businesses; these models are additional ways to build a more resilient funding base. **NICVA's events calendar** offers a range of fundraising workshops and an upcoming conference on developing corporate partnerships and our Funding Fayre which can help broaden funding sources, and increase financial security.

2. Political changes and new policy directions

Last year saw the return of the Northern Ireland Assembly and a new Labour government. While our sector is a vital part of the public service infrastructure, we are not always afforded the recognition for the role we play in communities and the expertise we bring. Our omission from the draft Programme for Government highlights the need for a renewed partnership with government to tackle the issues facing our society.

As a sector we must collaborate to influence government and make the case for better support for communities and investment in the charities that support them. NICVA ensures our sector is heard and represented at all levels and trustees should consider engaging with mechanisms such as the Joint Forum in Northern Ireland to work collaboratively with government to create the most impact for those people and communities we support.

3. Digital transformation

As economic hardship and social challenges grow, so does the demand for charity services. While the sector is often viewed as a stable support system, it can only continue to serve this role if its own needs for capacity building and resources are met.

While fundraising and diversifying income remain key, charities must harness emerging technologies and invest in digital capacity-building to streamline services and reach more people. Developing clear strategies to make sure your organisation gets the maximum positive potential from AI and other technologies will be crucial as we do more with less.

NICVA featured digital and AI at our recent Summit event and is planning a programme of digital capacity building for 2025. This is in addition to the cyber security training and resources that support charities adopting digital tools to safeguard their data and operations to maintain public trust.

4. Evolving funder expectations

Funders are increasingly focused on supporting charities that demonstrate responsible environmental, equality, diversity and inclusion practices and deliver a measurable impact. This shift creates new expectations for charities in how they design and deliver projects, making it essential for trustees to adapt to these priorities.

Trustees play a key role in establishing practices that communicate both the social impact and environmental responsibility of their organisations. Establishing an environmental policy not only demonstrates a commitment to sustainability but also allows charities to integrate environmental considerations into project planning.

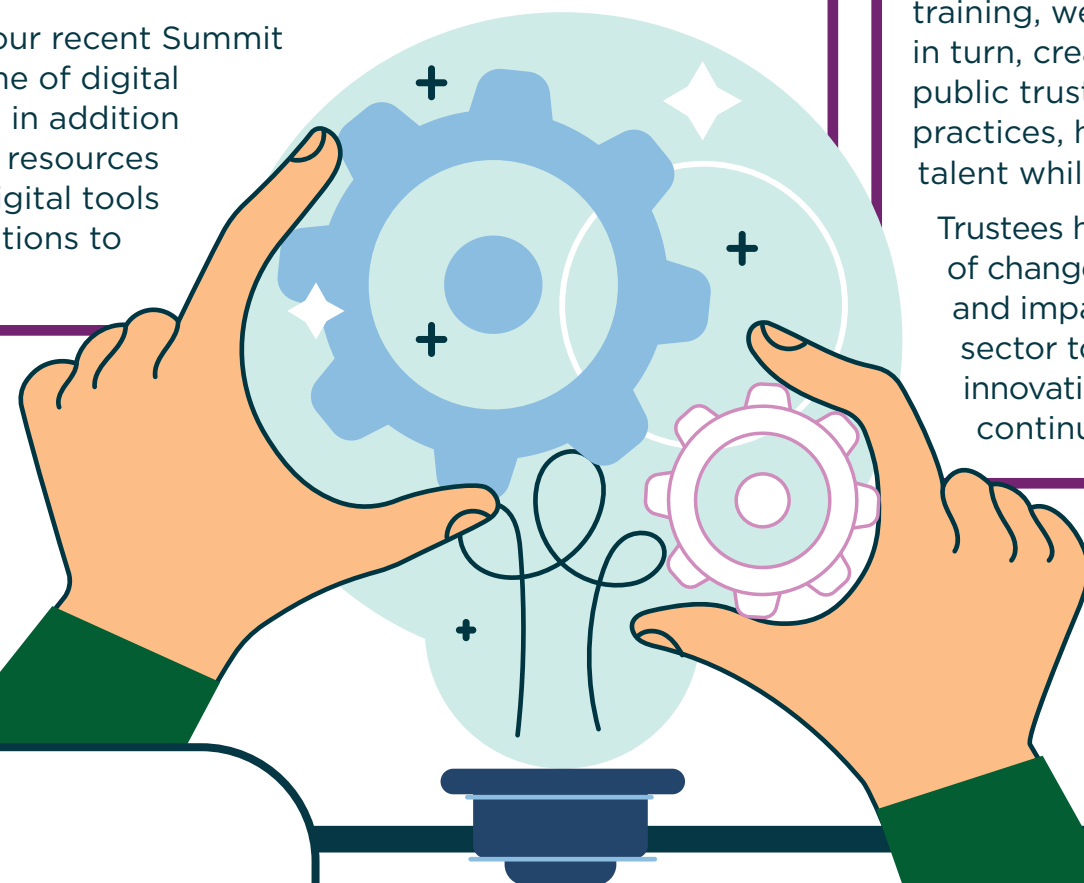
Your Equality, Diversity and Inclusion policy is not only about adhering to legislation but more importantly about how you embed this practice into the culture of your organisation. Alongside these responsibilities, funders are keen to see clear evidence of a charity's impact on the communities it serves. By crafting a strong narrative that showcases these achievements, charities can better align with funder expectations and clearly demonstrate the difference they make in people's lives.

5. Workforce development and good governance

Just as any sector relies on skilled staff and strong governance to succeed, the charity sector must invest in its workforce. Workforce development, including training, succession planning and leadership skills, is crucial to building sustainable and impactful organisations.

Charities should champion workforce and volunteer development by investing in training, well-being programmes, and leadership opportunities. Good governance, in turn, creates a transparent, ethical, and accountable organisation that earns public trust. NICVA supports charities in developing skills and governance best practices, helping trustees build resilient organisations that can attract and retain talent while delivering their **mission**.

Trustees hold a unique and powerful role in guiding their organisations through times of change. At NICVA, we're committed to helping boards build a resilient, innovative, and impactful sector. We work with our 1,400 member organisations and the wider sector to foster good governance, develop workforce capabilities, and champion innovative practices. We support trustees, leaders and staff to ensure that charities continue to serve, inspire, and make a lasting impact on communities.



For further information
about NICVA, [click here](#).





What to look for in a charity accountant



Mark Heaton FCCA FCIE DChA

Director, KM Chartered Accountants

Chair of trustees, Association of Charity Independent Examiners

It is now over thirty years since the first Statement of Recommended Practice (SORP) on charity financial reporting was introduced, a significant milestone in how charities prepare accounts.

For the first time, concepts such as Restricted Funds and Statement of Financial Activities were used. Since then, new editions were published in 1995, 2000, 2005, and 2015 (revised in 2019). With a new SORP due later this year following a revision of FRS102 applicable to accounting periods commencing on 1st January 2026, the level of understanding required by charity trustees, their advisers and accounting professionals who support them has magnified.

What should a charity and their trustees look for in an external charity accountant?

Over many years of experience, it is not sufficient to be able to prepare a set of accounts without understanding the regulatory and tax regime surrounding the sector. Overleaf, I've shared some critical questions to ask when selecting a new auditor/independent examiner that could make all the difference (questions will vary depending on jurisdiction, legal form, size and complexity).

Independent examination and audit thresholds:

England & Wales charities

• Audit required:

- Charities with an income of £1 million or more.
- Charities with an income exceeding £250,000 and assets over £3.26 million.

• Independent examination required:

- Charities with an income below £1 million, provided their income is above £25,000.

Scottish charities

• Audit required:

- Charities with an income of £500,000 or more.

• Independent examination required:

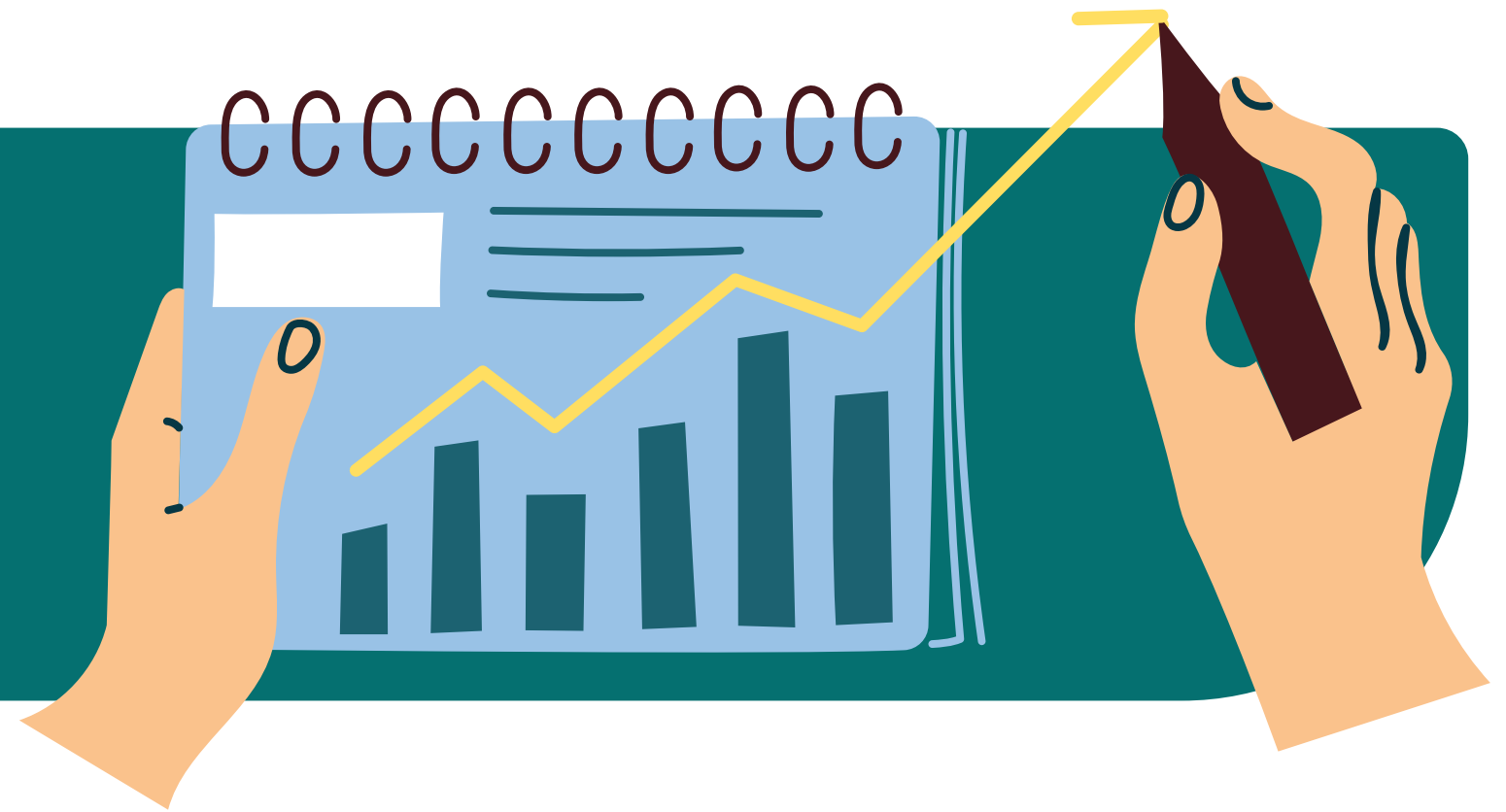
- Charities with an income below £500,000.





Do you have a good knowledge and understanding of:

1. the financial reporting framework for charities? Do you know the differences to a commercial business – e.g. SOFA, restricted funds, trustees report?
2. the relevant parts of the Charities Acts and associated accounting regulations?
3. the regulator(s) Directions to Independent Examiners (not Scotland)?
4. the guidance issued by charity regulators (Charity Commission for England & Wales, Office of the Scottish Charity Regulator, the Charity Commission for Northern Ireland) covering topics such as trustee responsibilities, public benefit, charity meetings, investments, validity of payments to trustees among others?
5. the role of an independent examiner, how this differs from an auditor and when a charity needs to appoint an auditor?
6. the differences between limited company charities and those that are not, such as Charitable Incorporated Organisations, associations, and trusts? Can you advise on different legal structures?
7. the benefits to small charities of Receipts and Payments accounts – as opposed to accruals accounts which accountants are more familiar with?
8. when a trading subsidiary should be used? What governance considerations need to be considered if one is used?
9. Gift Aid, which is more complicated than just claiming tax back? There are sections in HMRC guidance about sponsored events, donated goods, small donations scheme, among others.
10. taxation and VAT as they apply to charities?



Taxation and VAT can be particularly complex for charities:

Tax: Whilst charitable income is generally exempt from tax (provided it is used solely for charitable purposes), trading income (which HMRC regards as business income) may be subject to tax. Despite exceptions, there are still circumstances where a charity can be liable for tax if its activities are not structured correctly.

VAT: A question I am asked frequently: 'can our charity be VAT registered?' Most charities are not – and do not need to be – registered (the question is asked because of the amount of VAT that charities pay on their expenditure). There are several VAT exemptions which apply, but the activities of the charity may still require registration, if the income is above the VAT threshold. A good understanding of partial exemption and the differences between business and non-business income is essential.

Financial Reporting by charities has become an increasing specialism. The Association of Charity Independent Examiners (ACIE) was set up in 1999 to help train individuals to be examiners. Individuals who are members of the main professional accountancy bodies (ICAEW, ACCA, ICAS etc.) and those who are not can apply to be licenced to be an examiner by demonstrating understanding and quality of accounts prepared. ACIE's website lists individuals who have satisfied our requirements to be an examiner, and many charities source their examiner (and in some cases auditor) from that directory. We do monitor those who are licenced by us to ensure that they maintain their competence.

I have worked with many charities as their professional adviser for most of the last thirty years and it is a great opportunity to engage with a diverse sector, and to work with trustees and their staff as they provide their services to their beneficiaries.



For further information about KM Chartered Accountants **click here** and to find out more about Association Of Charity Independent Examiners **click here**.



Crafting a volunteers' strategy to support your charity's vision



Caroline Dukulay
Head of Volunteering,
Acorns Children's Hospice

The value of volunteers to the charity sector cannot be understated. When it comes to children's palliative care organisations, volunteers have always been essential to what we do. I often say that without volunteers, there would be no Acorns Children's Hospice. And it's absolutely true.

But how do charities of all shapes and sizes ensure they're making the most of this valuable resource? A robust volunteers' strategy to support your charity's vision is essential. The volunteers' strategy at Acorns – something we've embarked on relatively recently – unlocks significant benefits towards our organisational purpose.

Here are some key points charities should consider when developing a volunteers' strategy.

It's a two-way relationship

The key to crafting an effective volunteers' strategy is to ensure you always remember the relationship between volunteers and the charity needs to be in balance.

Organisations often run the risk of asking 'what do we want volunteers to do for us?' and forget to ask 'what do volunteers expect in return?'

Significant research demonstrates how volunteering gives people a real sense of purpose and can significantly improve an individual's wellbeing. Volunteering gives people the opportunity to meet like-minded people whilst doing something they feel passionate about and for many gives a wonderful sense of purpose.

Just because volunteers are not paid doesn't mean they want nothing out of the relationship. This two-way relationship is arguably the most important universal principal in volunteering. Once that's clear, you can begin crafting your strategy.



Get your house in order

Before developing a strategy you need to get your house in order and ensure your operations are well-organised; this means conducting an analysis of your data. In the case of your volunteers, you must fully understand who they are, what they do and what they might like to do in the future.

Look at the ways volunteers are deployed in different departments and how you might be able to share that resource more efficiently across the organisation. The question needs to be asked: are volunteers doing what they want to do, or is it just something they've fallen into?

Other pertinent questions you need to ask are: Do volunteers get enough training? Do they get enough support from the people responsible for them? Are they getting the most out of their role? You may not like the answers, but feedback is essential.

Streamline recruitment and onboarding

The next step in your volunteers' strategy journey is making sure a recruitment and onboarding journey of the highest calibre is in place.

To attract volunteers you must understand the profound societal shifts in recent years. The need for flexibility in volunteering has increased since Covid, with more remote and technology-driven roles becoming necessary to accommodate volunteers' changing needs and lifestyles.

There are big challenges here for charities. The increase in cost-of-living also means people who previously would have volunteered when they retired now work

longer, meaning they don't have the same amount of time to give.

Your strategy must consider the competition; there are more organisations than ever competing for a smaller pool of potential volunteers. Ensure that volunteers who contact your organisation are met with a good first impression. If they don't, volunteers are likely to vote with their feet.

Organisations with recruitment challenges will naturally look towards new audiences and communities to find suitable volunteers. Which brings us to our next important consideration.

Focus on diversity

Diversity enriches your organisation. It provides different ideas and perspectives. Does your volunteering workforce represent a range of ages, genders, skills and backgrounds? Does it reflect the communities you serve?

Think about how volunteers from different demographics or communities can help unlock key goals within your organisational strategy.

As a children's charity, we have a responsibility to reflect our organisation's mission in our volunteers' strategy. One method we do this is by supporting young people in our community to get on the career ladder through volunteering.

We are also actively recruiting volunteers within specific communities where we know there is an unmet palliative care need. Volunteers in these communities can help open doors and act as community ambassadors: there's a clear line between volunteers and our organisational mission.



Involve volunteers in the 'big ticket' items

So far we've explored some important ideas, but there are ways you can release even more potential from your volunteers. You can do this by ensuring you involve volunteers in the 'big ticket' items.

Volunteers have the potential to perform critical roles and take on significant responsibilities. The RNLI is a case in point: an organisation where volunteers save hundreds of lives around our coastline every year.

Embedding volunteers with lived experience within your charitable structures can provide valuable insights and inform core decision making. This is done to good effect within the MS Society's National Councils – voluntary groups who work on behalf of people affected by MS and who contribute directly towards the charity's strategy.

Examples of volunteers taking on highly responsible roles can be found in your trustees. These are individuals with knowledge, experience and expertise you can tap into. They are giving their time for free as well as their energy and passion. Having an effective board is key to any successful organisation.



Conclusion

This is only a snapshot of what can be considered when crafting a volunteers' strategy; the key is to have a clear strategy and plan supported by good and regular communication. Those organisations that get the most out of their volunteers understand this is a two-way relationship that needs to be in balance and takes the time to acknowledge their contribution to the success of the organisation.



To find out more about volunteering at Acorns Children's Hospice, visit

www.acorns.org.uk

About Acorns

Acorns Children's Hospice is the largest children's hospice charity in Europe, providing care to around 700 life limited and life threatened children and their families every year.

The charity offers emergency and end-of-life care, rehabilitative respite stays, symptom management, therapeutic and psychosocial support, bereavement support, sibling services and family support.

Care is tailored for each individual child and includes all their medical, emotional, cultural and spiritual needs. This care is provided within the hospice, in the community and in family homes.

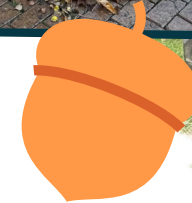
acorns
children's hospice



Making a difference, one leaf at a time



Callum Craig
Trainee Investment Manager,
Quilter Cheviot



A day of corporate volunteering at Acorns Children's Hospice

On a crisp autumn morning, our team of six from the Birmingham Quilter Cheviot office rolled up our sleeves at Acorns Children's Hospice, ready to tackle the seasonal transformation that had painted the grounds in amber and gold. While the falling leaves created a picturesque scene, they also presented a practical challenge for the hospice staff and families who rely on clear, safe outdoor spaces for their children and a place to find normalcy in a time where normality comes at a premium.

Acorns Children's Hospice provides specialist palliative care for children and young people with life-limiting and life-threatening conditions, along with support services for their families. The hospice gardens serve as a vital sanctuary - a place where families can find moments of peace and where children can safely enjoy the outdoors, often with their families. But these special spaces are sizeable and require ongoing maintenance by a small but dedicated number of volunteers who give their time whenever they can. So, any additional, kind offers of support are gratefully received.

Armed with rakes, brooms, leaf collectors, and a busy wheelbarrow, we set about our mission to help maintain the gardens in a way that we'd be proud of. The work was physical and demanding, but there was something deeply satisfying about watching the grounds transform through our collective effort. Each sweep of the broom and rake revealed the path underneath our feet and grass beneath, with the wheelbarrow being constantly ferried up the gangway to slowly build a mound of leaves, which will be used for mulch by the hospice.

What struck us most was the sense of immediate impact. Unlike some corporate projects that take months to see results, here we could witness the transformation happening before our eyes. By the early afternoon, pathways that had been hidden under thick carpets of leaves were clear and accessible again. The wheelchair-friendly garden paths, and play areas, so essential for the hospice's young residents, were restored to their intended purpose.

The day fostered a different kind of team building than we were used to. Away from our usual office environment, we found ourselves working in seamless coordination - a group raking and brooming, another gathering, others managing the disposal. The usual workplace hierarchies dissolved into a shared purpose that was both humbling and energising.

As the day drew to a close, we had the opportunity for Acorns to show us round the inner sanctum of their world. Insightful, perspective giving and emotional don't do it justice. The work the staff do, the place that they have created, the culture that they have fostered was beyond inspiring. Walking into rooms and you could sense the joy that the place could bring children and their families during the most challenging times.

Looking out at the cleared gardens as we left, it brought an overwhelming sense of accomplishment. The hospice staff's gratitude was touching, but what really resonated was knowing that our day's work

would make a real difference to the families, staff and the children who rely on these spaces. The children could once again enjoy secure access to the outdoor areas, and the care staff could focus their attention where it's needed most - on providing essential care to their young residents.

This experience reminded us that sometimes the most meaningful contributions we can make are also the most straightforward. While our regular jobs involve complex problems and long-term strategies, there was something profoundly satisfying about the simplicity of this task and its immediate, visible impact on a vital community service.

The leaves we cleared may return with the next autumn breeze, but the sense of purpose and connection we gained from this day will last far longer. It served as a powerful reminder of how a small group of committed individuals can make a tangible difference in their community, one rake at a time.



Debunking the Myth: “Cash is King for a Charity’s Funds”



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“Cash is king.” For decades, the phrase ‘cash is king’ has been a guiding principle for many. But when it comes to managing a charity’s funds, the notion that cash is the best option is a common misconception. Here’s why.

The origins: why is cash believed to be king?

The phrase “cash is king” dates back to at least 1987, when then-Volvo CEO Pehr G. Gyllenhammar famously made the declaration after the stock market crash.¹ At the time, holding cash was seen as a prudent strategy to navigate financial turmoil. However, history has shown that holding cash is often far from optimal, delivering lower returns and suffering from the inflationary erosion of purchasing power.

The “cash is king” belief is based on three particular factors:

- 1** Cash provides immediate liquidity, allowing charities to meet short-term obligations and unexpected expenses without delay.
- 2** Cash is perceived as a low-risk asset, free from the volatility of economic fluctuations.
- 3** Holding cash is easy.

Maintaining enough cash to cover short-term needs and planned expenses is essential. Beyond this, holding excessive cash or being overly cautious with investments can be reassuring, yet come at a significant cost...

The hidden cost of cash

Imagine your charity’s funds are a block of ice, and inflation is the sun. Slowly but surely, the sun melts your ice away, leaving you with less. Inflation erodes the purchasing power of cash, meaning that the real value of a charity’s assets diminishes.

To put this into perspective, let’s consider the last 20 years of inflation in the UK. The average inflation over the last two decades was approximately 2.5%.² If a charity held £100,000 in cash in 2003, **the purchasing power of that cash would be reduced to about £60,000 due to the cumulative effect of inflation—a £40,000 loss.** This erosion can severely hamper a charity’s ability to fund its activities and fulfil its mission.

Unlocking the power of investment

Back to our ice analogy. While inflation still exists, sound investing can mean you are slowly adding more ice (or funds) to your collection. What is lost through melting (or inflation) can not only be offset, but also added to.

Investing in a diversified portfolio can help charities combat inflation and grow their assets. Quilter Cheviot’s Global Income & Growth Fund for Charities* is designed to provide both capital growth and income over the long term, aiming to deliver an annualised total return of 3.5% above the UK Consumer Prices Index (CPI), helping charities not only keep pace with inflation but also generate a return above it.

Let’s go back to our previous example. If a charity had invested in a fund that returned 3.5% above inflation annually – the goal for Quilter Cheviot’s Global Income & Growth Fund for Charities – the investment would have grown to approximately £320,713 over the 20-year period.

This example highlights the potential benefits of investing in a well-diversified portfolio, which can help charities not only keep pace with inflation but also generate substantial returns, thereby increasing their financial stability and ability to support their mission.

The balancing act of risk

Given their mission-driven nature, a commonly held view is that charities must adopt a low-risk approach to prioritise the preservation of capital. Add the negative tone of news coverage based on economic stability, market volatility, and financial scandals, and the perception that investments are fraught with danger is increased.

But risk works both ways and there is a significant missed opportunity cost from not investing in an optimal manner. Investments can be safe for charities when managed prudently and diversified across various asset classes. Diversification helps spread risk, reducing the impact of market volatility on the overall portfolio. By investing in a mix of equities, bonds, and other assets, charities can achieve more stable returns and protect their capital from significant losses.

Quilter Cheviot’s Global Income & Growth Fund for Charities is specifically tailored to meet the needs of charitable organisations. The Fund employs a disciplined investment approach, focusing on high-quality assets that offer both growth potential and income generation. By investing in a diversified portfolio, the Fund aims to reduce risk and provide consistent returns over time.

Additionally, professional management plays a crucial role in ensuring the safety of investments. Investment managers – like those at Quilter Cheviot – have the expertise to make informed decisions, monitor market conditions, and adjust portfolios as needed to mitigate risks. This professional oversight helps safeguard the charity’s funds and ensures they are invested in a manner that aligns with the charity’s goals and risk tolerance.

Want to know more?

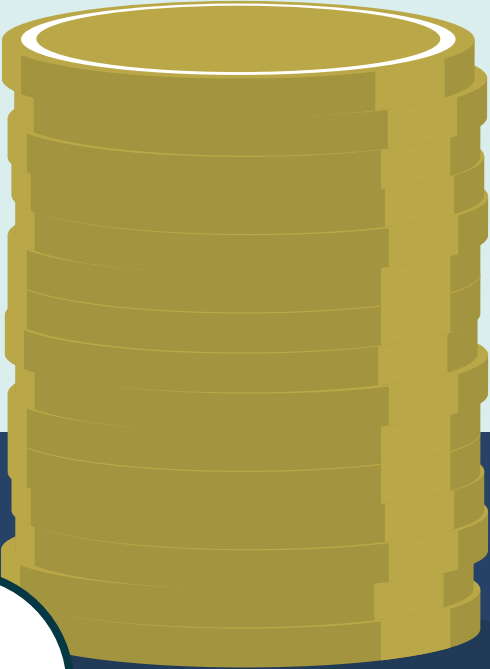
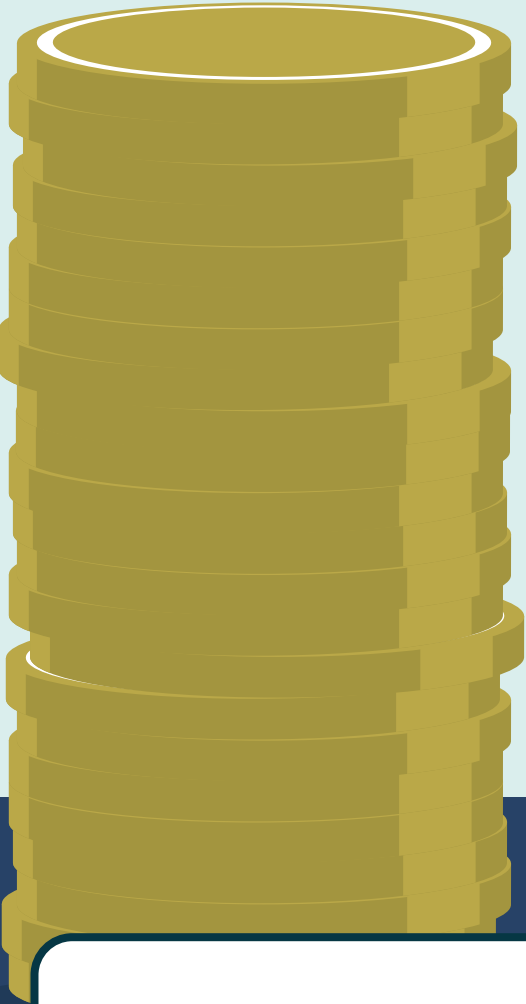
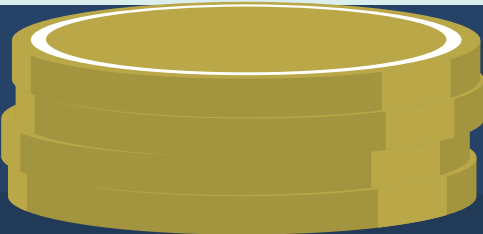


If you would like to learn more about our specialist charity investment services, please reach out to a member of our team today. Our specialists are ready to offer personalised guidance and support tailored to your charity’s unique needs.

t: +44 (0)20 7150 4000
e: charities@quiltercheviot.com
w: www.quiltercheviot.com

* The Fund is for UK charities only.

¹ **Cash is king | The Daily Star**
² **UK Historical Inflation Rates | 1956-2024**





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Tune in to hear charity specialists Charles Mesquita, Catherine Rustomji, and James Saunders as they dissect issues affecting charities, nonprofits, and voluntary organisations in this bimonthly podcast.

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Granting Change: Insights on The Quilter Foundation



Sarah Osato
Investment Manager,
Quilter Cheviot

Welcome to the first edition of Granting Change, where I shine a light on the incredible achievements of The Quilter Foundation, while also sharing valuable insights, lessons learned, and advice drawn from my experience on the grants panel and The Foundation's journey thus far.

About The Quilter Foundation (The Foundation)

Key facts:

- **Founded:** 2018 when Quilter listed as a plc.
- **Mission:** To help young people overcome barriers to brighter futures.
- **AIM:** To empower young people to fulfil their potential, thrive and prosper, by providing funding and skills to charitable organisations.

Support:

The Foundation supports young people in two ways:

- 1) **Strategic partnerships:** Working in partnership with several strategic charity partners.
- 2) **Local Community Fund:** Each quarter, Quilter employees and advisers nominate charities to receive a grant.

By the numbers

For over six years, The Foundation's mission has been to empower communities, especially young people, to transform their lives with excellent support.

Here's a snapshot of the impact so far:

 **80,000**
young people directly supported through charity partners and Local Community Fund organisations


 **£300,000**
awarded to 42 Local Community Fund Charities


 **£3.9million**
donated to charity partners and Local Community Fund recipients

 **700+**
Quilter volunteers have dedicated their time and skills

 **34,000+**
young people received financial literacy support

And that's not all

 **THE BROKERAGE**
In partnership with The Brokerage, The Foundation breaks down barriers for young people from underrepresented backgrounds to enter financial and professional services.

 **FEEDING BRITAIN**
This year, The Foundation announced two new charity partners (Feeding Britain and Meals & More) to kickstart a commitment to tackling child hunger.

My Role

As a member of the grants panel, I play a key role in evaluating Local Community Fund applications and ensuring our grant-making process aligns with the Foundation's goals and values. Collaborating with a diverse team, I assess the impact and potential of each application, ensuring our resources are allocated effectively to make the greatest impact.

My top tips

From my experience thus far, here are my three top tips to creating an effective grants committee:

- 1) Passion and alignment:** Choose members who are passionate about your mission and values. Look for individuals who are willing to actively participate and contribute their time and insights.
- 2) Diversity:** Assemble a diverse committee to bring a variety of perspectives and expertise.
- 3) Clear roles:** Define specific roles and responsibilities for reviewing applications and making decisions.

Selecting the recipient

Selecting the recipient is quite challenging, as all the applicants are making a difference in their own way; making it extremely difficult to choose a limited number. For myself and several other committee members, one of the most important aspects is evaluating the impact to ensure fair and informed decisions. We consider the impact of the donation relative to the organisation's income and the number of beneficiaries. This approach ensures that our contributions create significant positive change and are utilised in the most impactful manner possible.

Thank you for taking the time to read my inaugural column. I look forward to sharing more insights into my role on the grants committee and The Quilter Foundation in the summer edition of Quilter Cheviot's Review for Charities.



Want to know more?

Click [here](#) to find out more about The Quilter Foundation and its work so far.

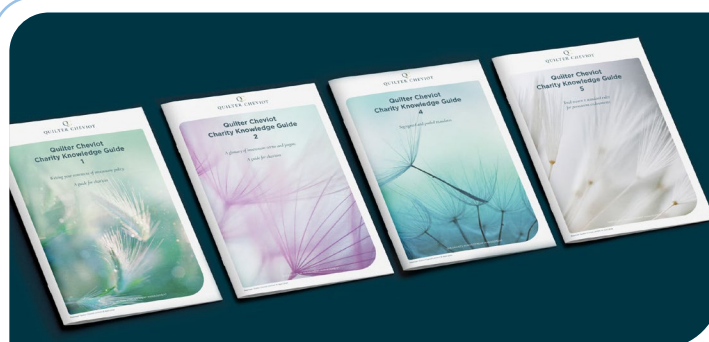
Quilter
Foundation



Resources for Charities

For further information about our charity services, explore the links on this page.

To get in touch, email us at charities@quiltercheviot.com or visit our website: www.quiltercheviot.com



Knowledge guides

A range of useful guides, from writing your statement of investment policy to defining a charity's ethical policy.



CharitEpulse

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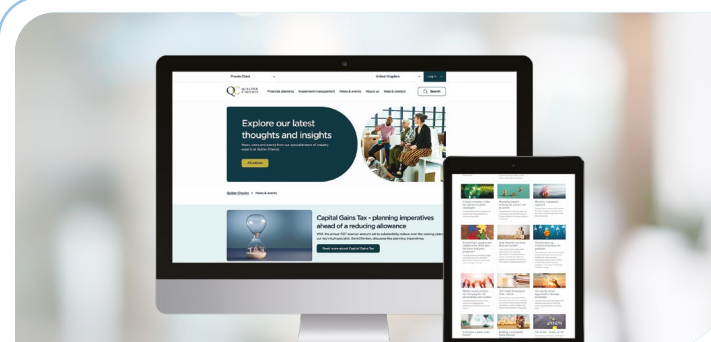
Are you a trustee of a charity or simply interested in the charity sector? Our monthly newsletter, delivered straight to your inbox, keeps you informed about the latest sector news and regulations.



Educational events

Join our roundtable discussions tailored for senior management and trustees, focusing on a broad range of topical issues impacting the sector. Register your interest below to learn more about our charity events programme.

Find out more



News and views

Get the inside view from Quilter Cheviot delivered straight to your inbox. Stay up to date with the latest market news and industry insights from our team of experts.



SPECIALISTS IN INVESTMENT MANAGEMENT

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