

Benchmarking

Bequests
FY22/23



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Institute
Australia**

MARY MACKILLOP
today



GREENPEACE
AUSTRALIA PACIFIC



Leukaemia Foundation®



VMCH

ETHIOPIAID



Thank you to participating charities



Thank you to this year's participants with more than a billion in fundraising income

Participation

Participants
29

Estates
3,022

Total Fundraising Income
**Over
\$1.02Bn**

Total giWs Income
\$245m

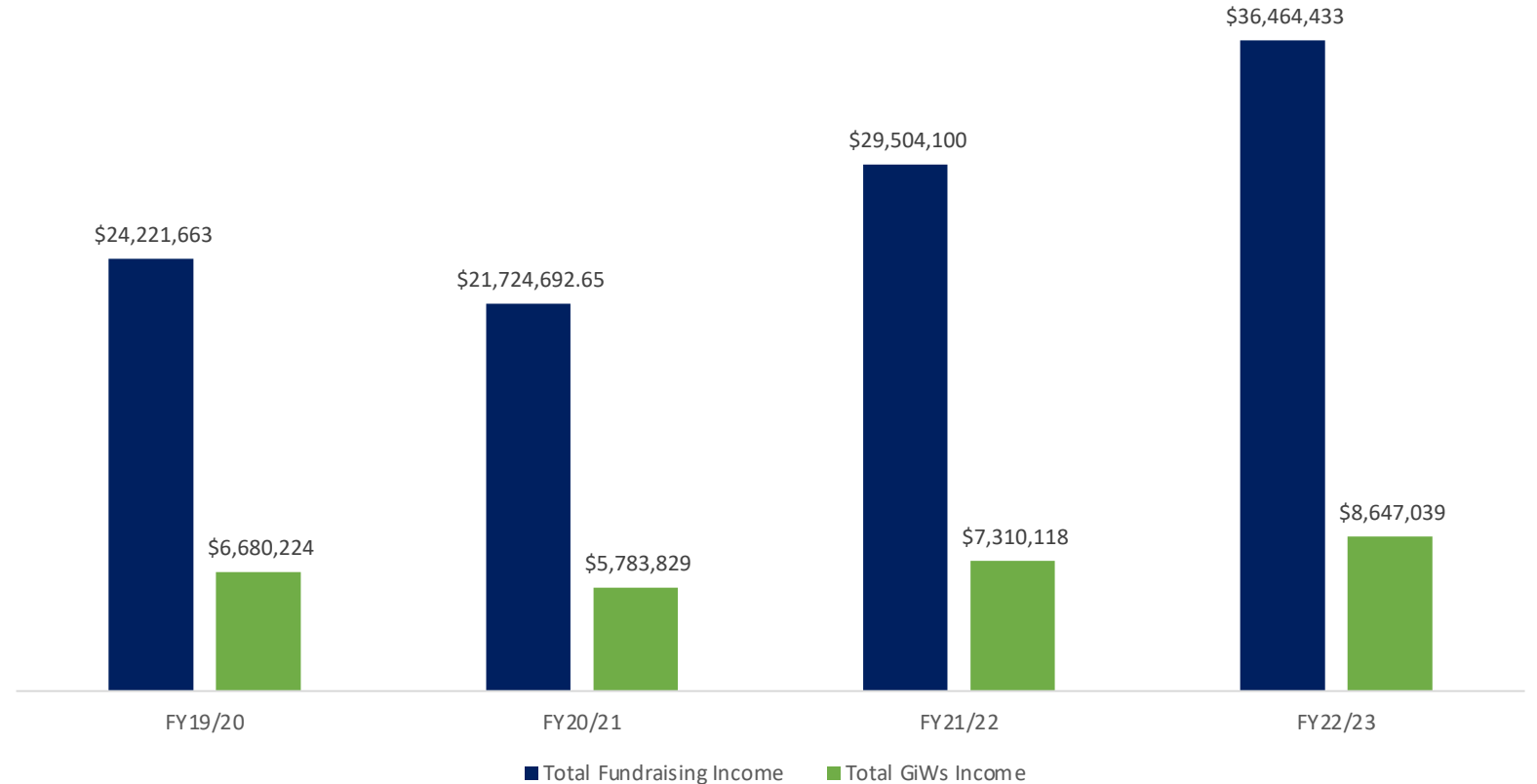
Average Fundraising Org
\$36.5m

Average GiWs Income
\$8.6m

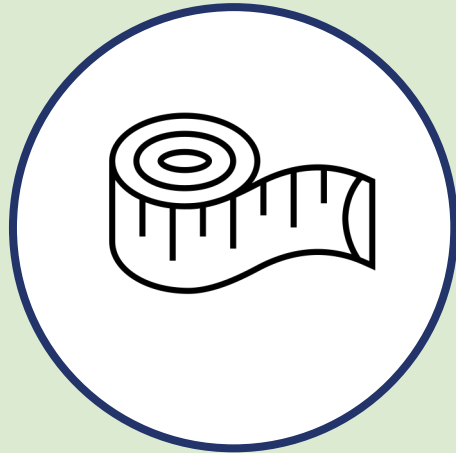


Our overall base is higher in ave fundraising and giW's income

Income Benchmarking participants



This represents the mix of charities not the trend line



There is a big opportunity for orgs \$1-5m to grow pipeline

Income Benchmarking participants

Fundraising income	Count	Ave GiW Income FY21/22	Average pipeline
\$1-5m	6	\$651k	232
\$5-10m	2	\$2.6m	1723
\$10-20m	5	\$5.7m	4510
\$20-50m	8	\$8.2m	6438
Over \$50m	6	\$23.2m	7978

Income trends





Fundraising income is declining for the first time in 3 years. Gifts in Wills continues to grow.

Growth

Total Fundraising Income
\$1,021m

-4.6% Growth

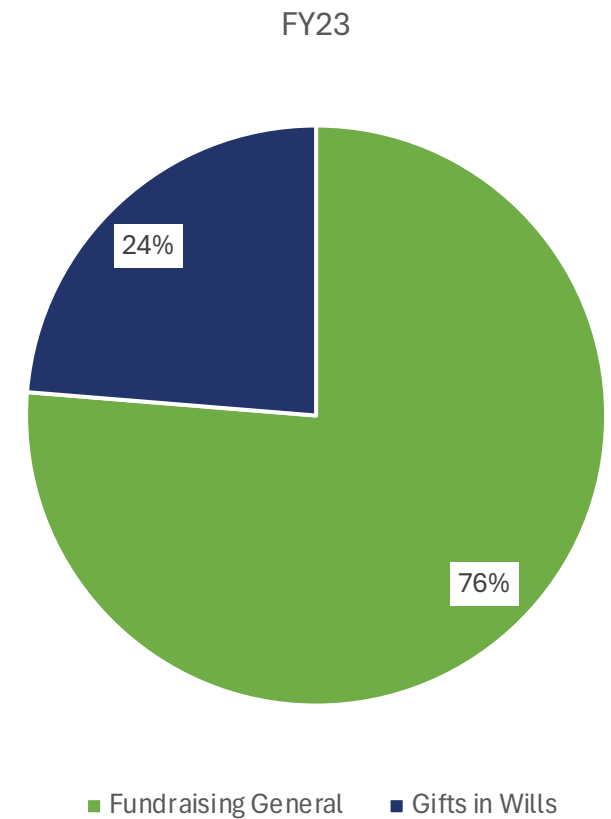
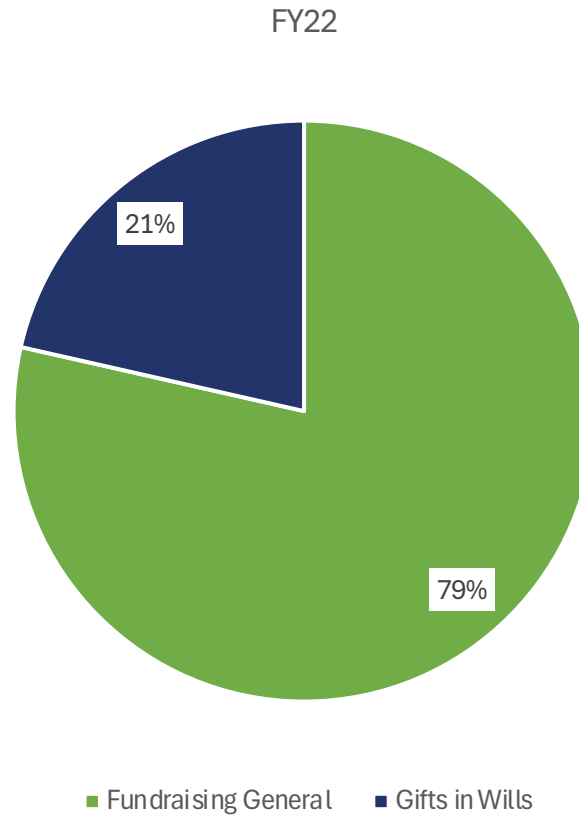
Total giW's Income
\$245m

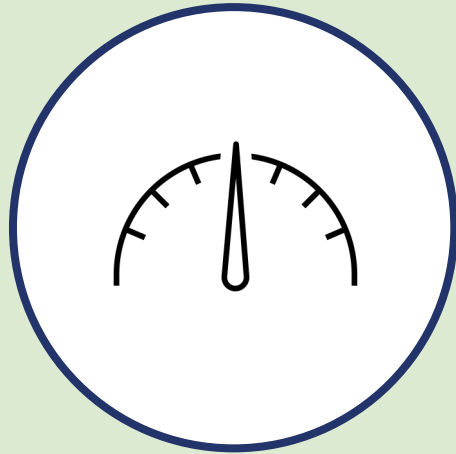
5.5% Growth



Significant
contribution to
fundraising income:
24%

Contribution to Income





Average gift has decreased slightly, though number of estates has gone up. Growth in volume over value.

Estates

FY23	FY22	Difference
\$80.7k	\$81.1k	-1%
3,002	2,831	+6%

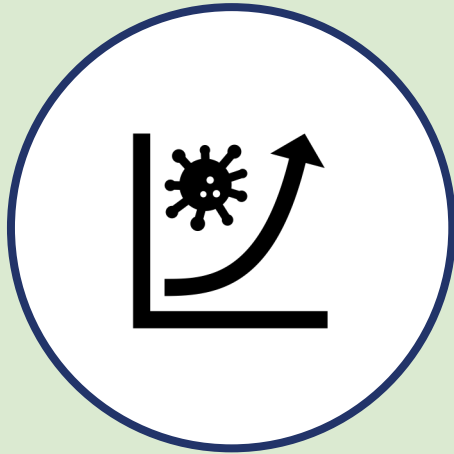
Type of gift



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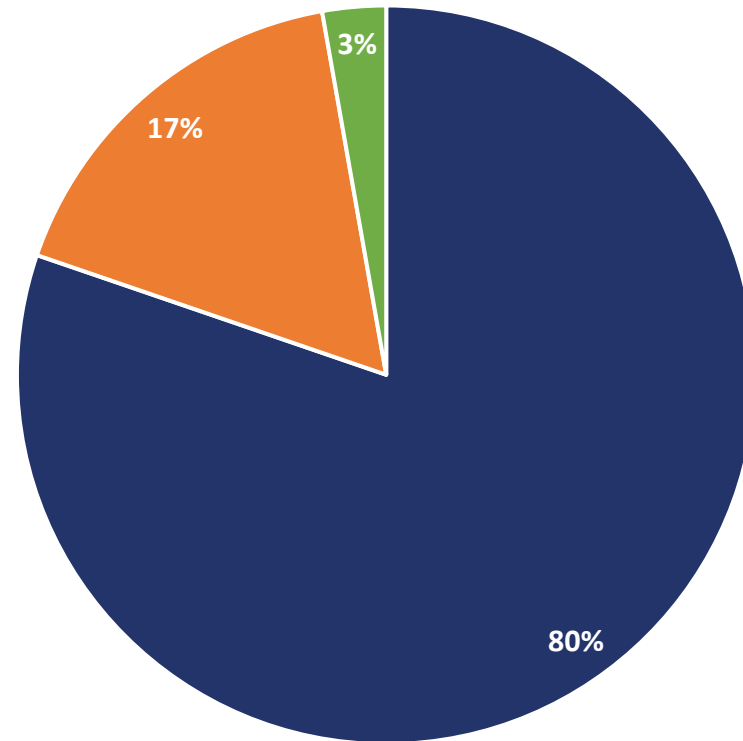


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Residual gifts continue to drive the bulk of income, in line with last year. Pecuniary gifts have trebled as a percentage vs last year, with a big reduction in 'other'.

Bequest type: Income

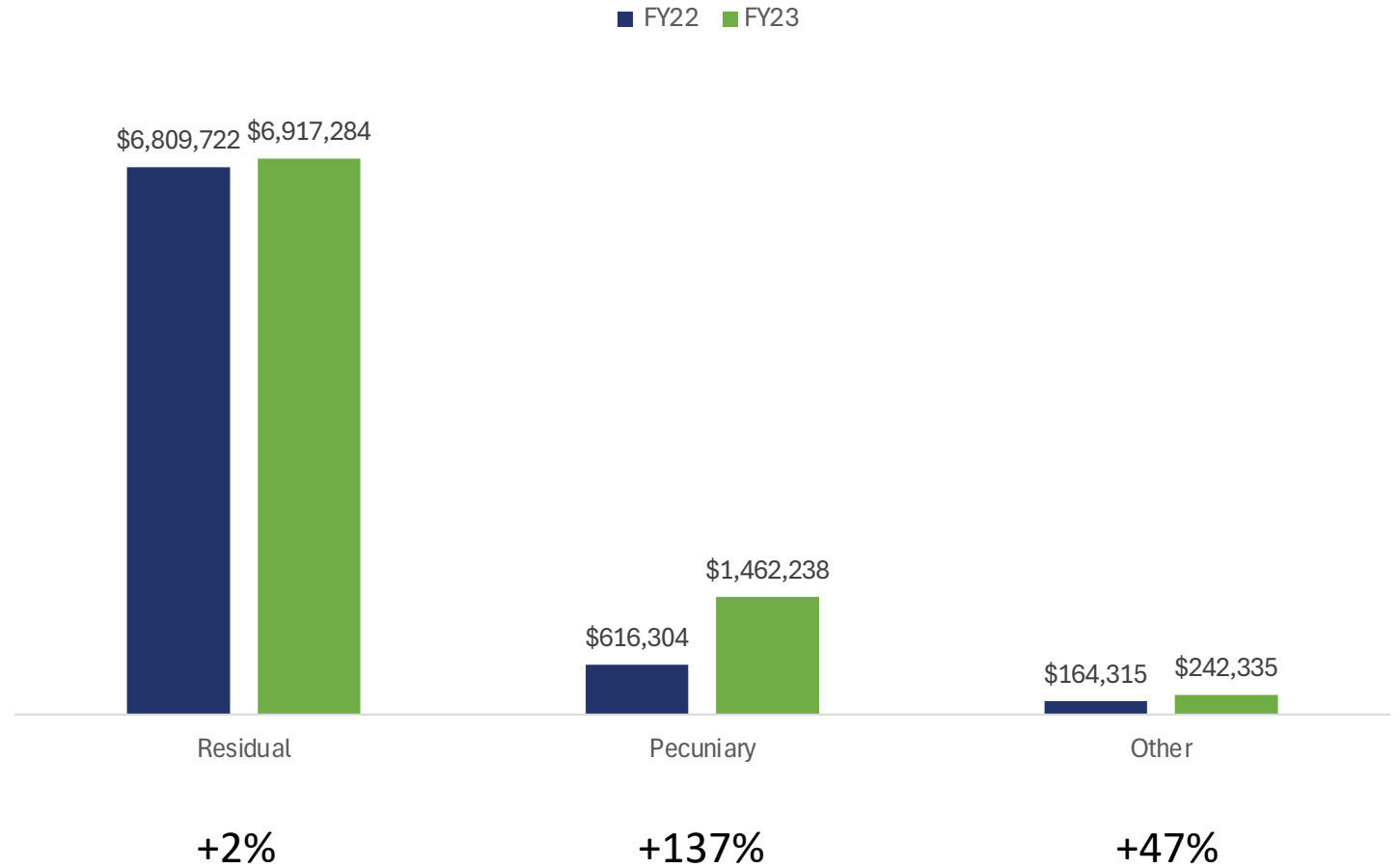


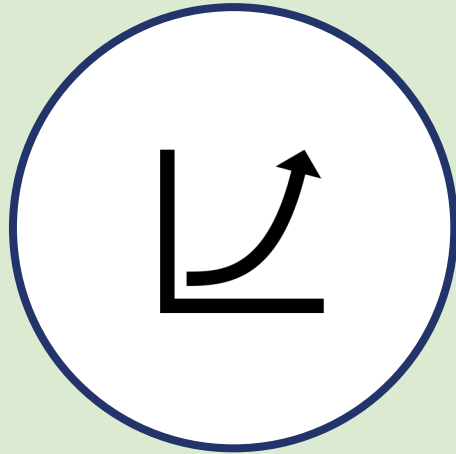
■ % Bequest Income Residual ■ % Bequest Income Pecuniary ■ % Other Income



Residual income stable, with strong growth on pecuniary and other

Average Charity income by type

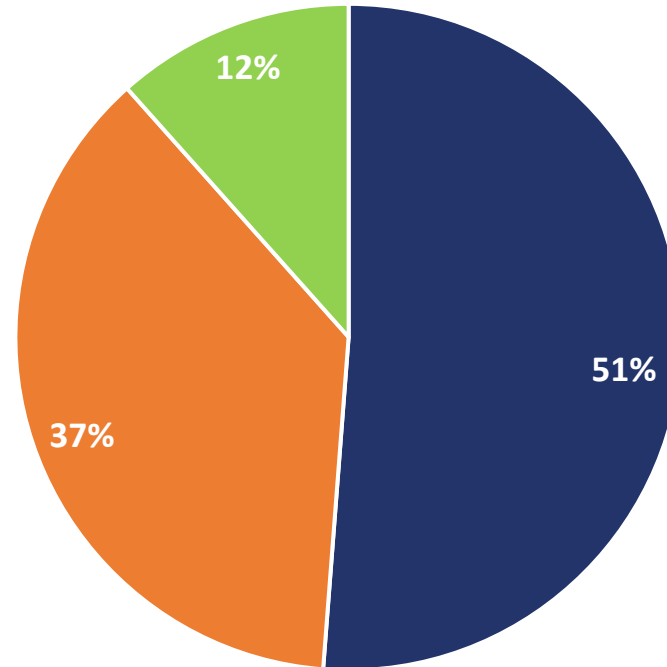




The count of pecuniary and residual gifts has increased as a %, 'other' is down

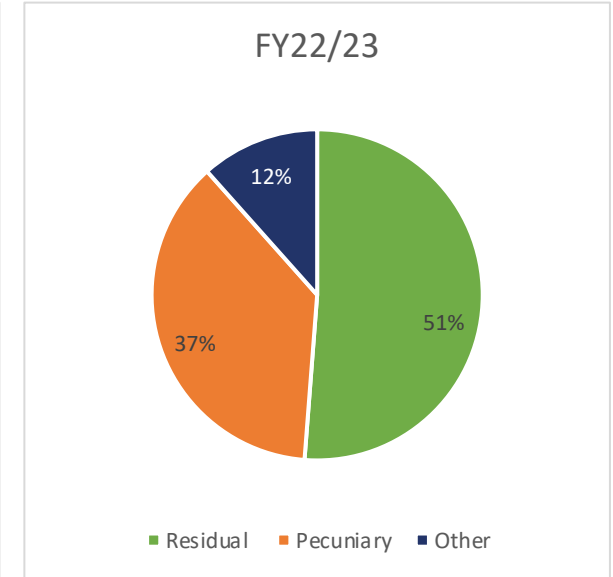
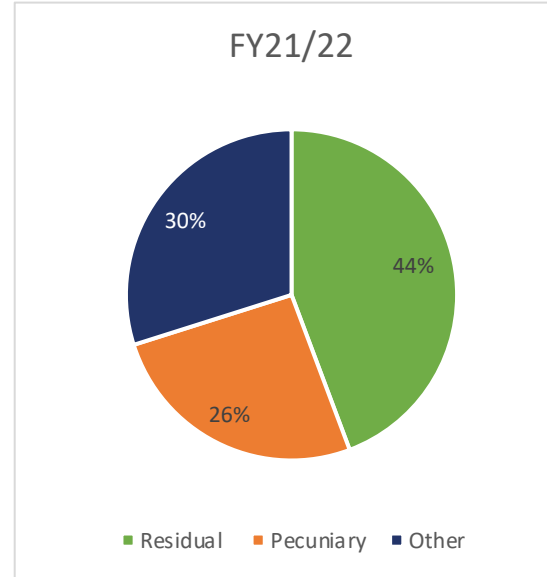
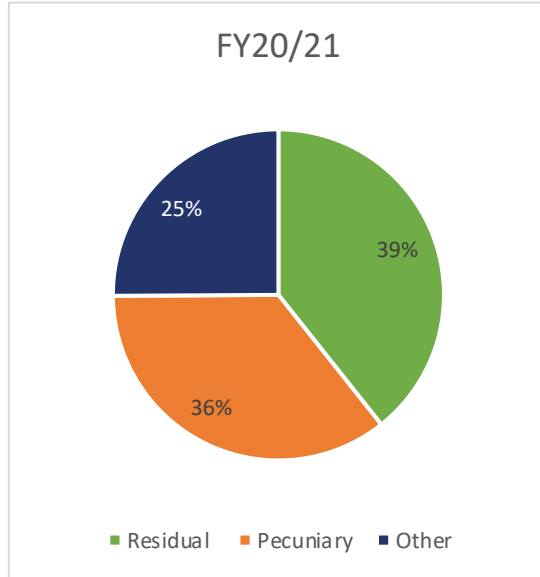
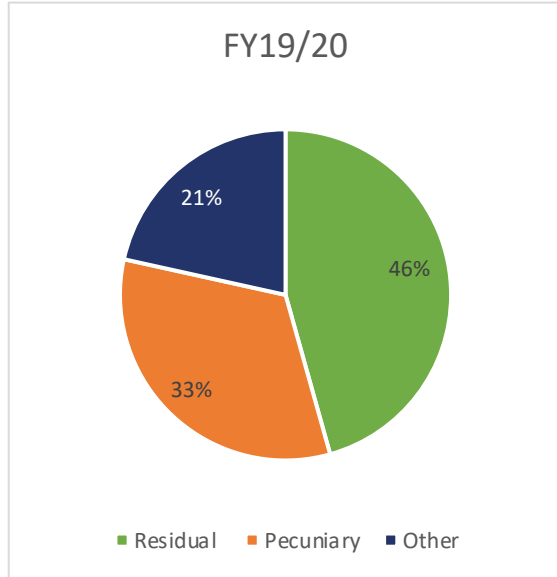
Bequest type: Count

FY22/23



■ Residual ■ Pecuniary ■ Other

Bequest type trends: count



Year	Ave / charity - residual	Ave / charity - Pecuniary	Ave / charity - Other
FY22/23	43	33	30
FY21/22	26	26	21
FY20/21	32	29	20
FY19/20	40	29	19



Gift value on residual continued to decline following a 6pt decrease last year, but doubled on pecuniary

Average gift

Overall
\$81k

Residual FY22
\$155k

Residual FY23
\$143k

Change
-7%

Pecuniary FY22
\$20k

Pecuniary FY23
\$42k

Change
+109%

Type of supporter



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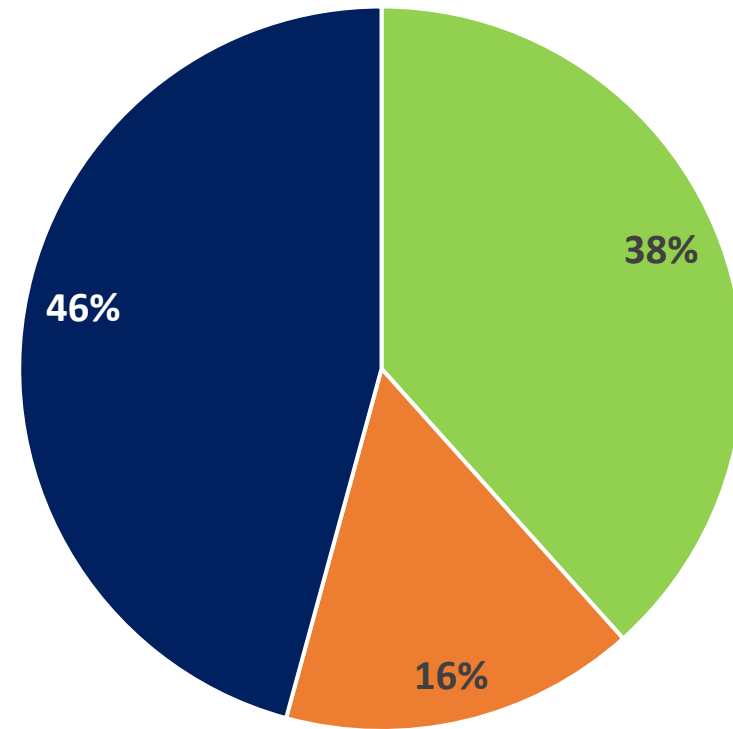


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16% of realised gifts
are from supporters
known to the charity
– a big decrease vs
last year

Supporter type: gift count

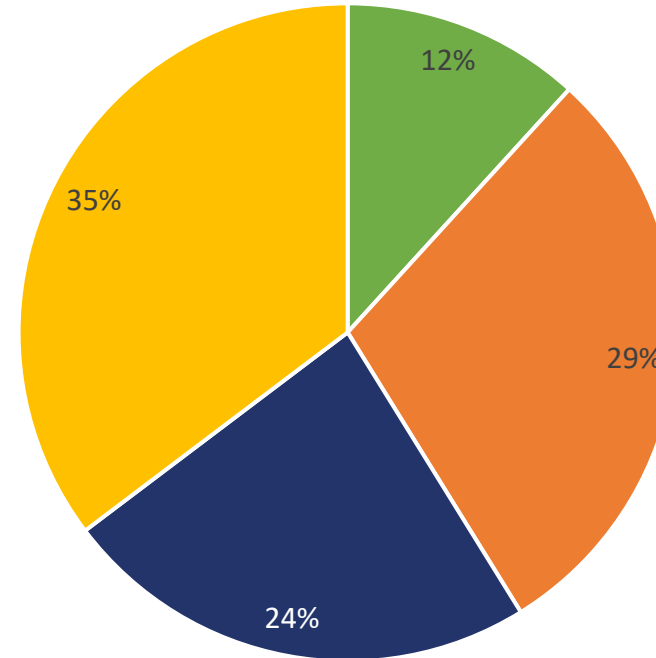


■ Known supporters (on CRM) ■ Known bequestors (giWs) ■ Unknown



GIW supporters can have very long histories of support and databases don't necessarily reflect this.

Data retention

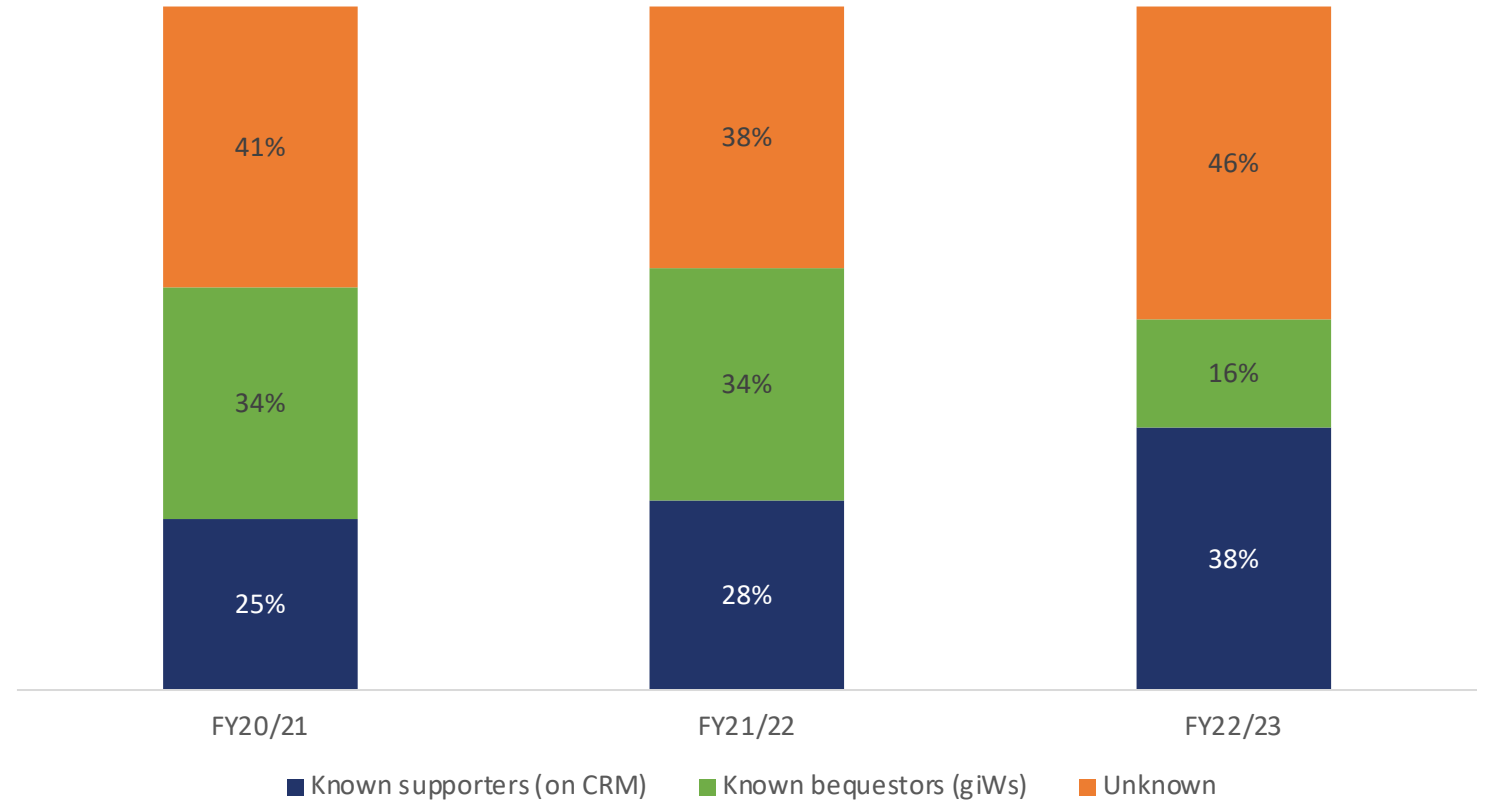


■ 0 - 7 years ■ 8 - 15 years ■ 16 - 25 years ■ More than 25 years



Increase in unknown and in known supporters this year, leading to a smaller % of known bequestors

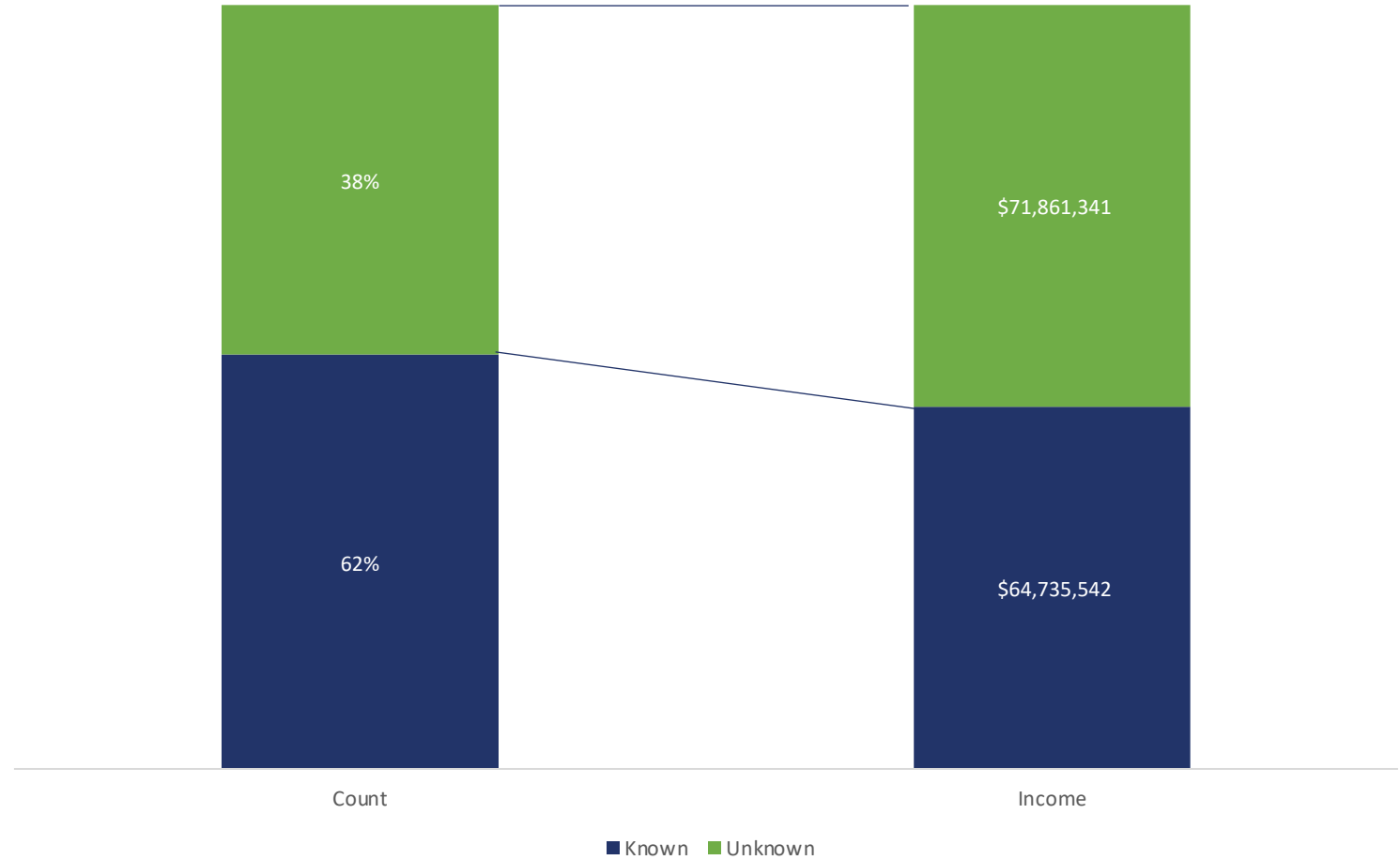
Supporter type: trends





62% of our gift in Wills income comes from known supporters. All your fundraising team needs to be upskilled in giW's messaging.

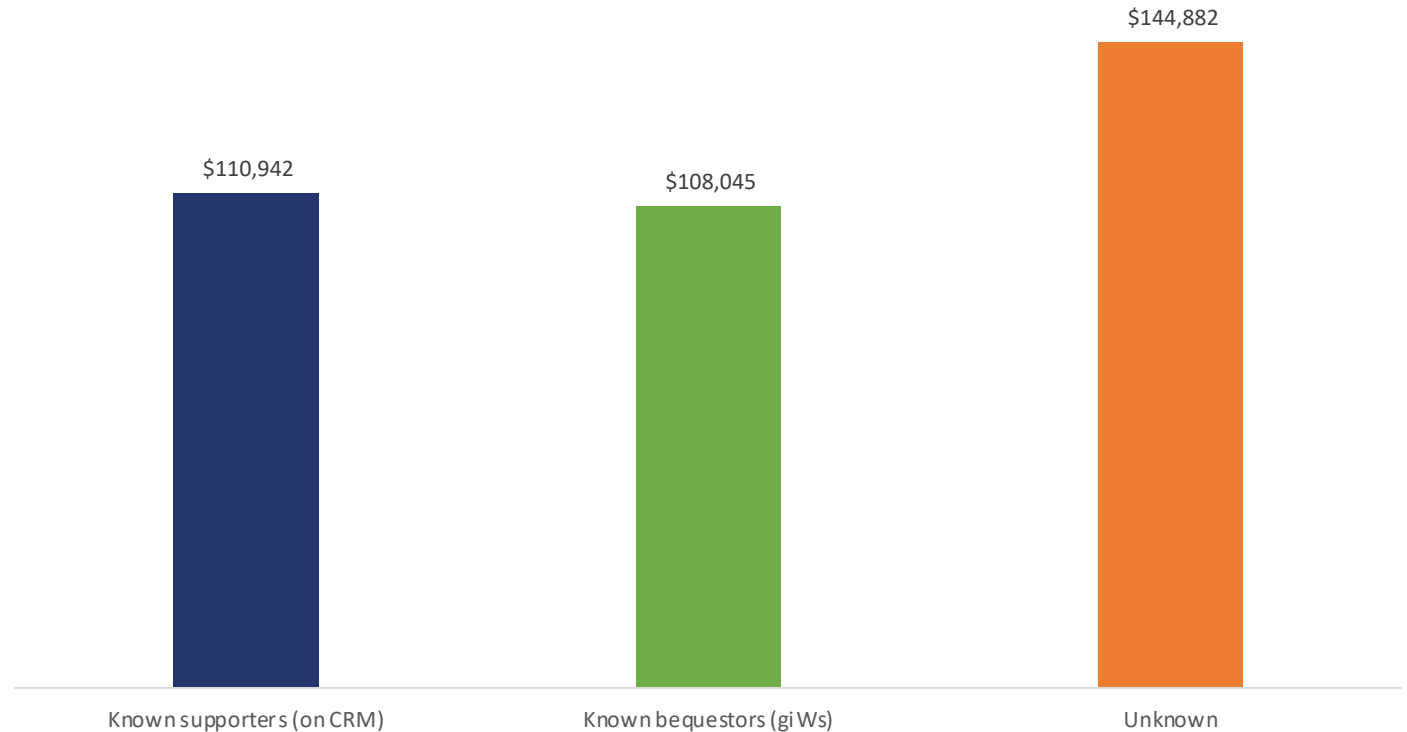
GiW's Income contribution





Our unknown supporters have highest value. Opportunity to better understand this group.

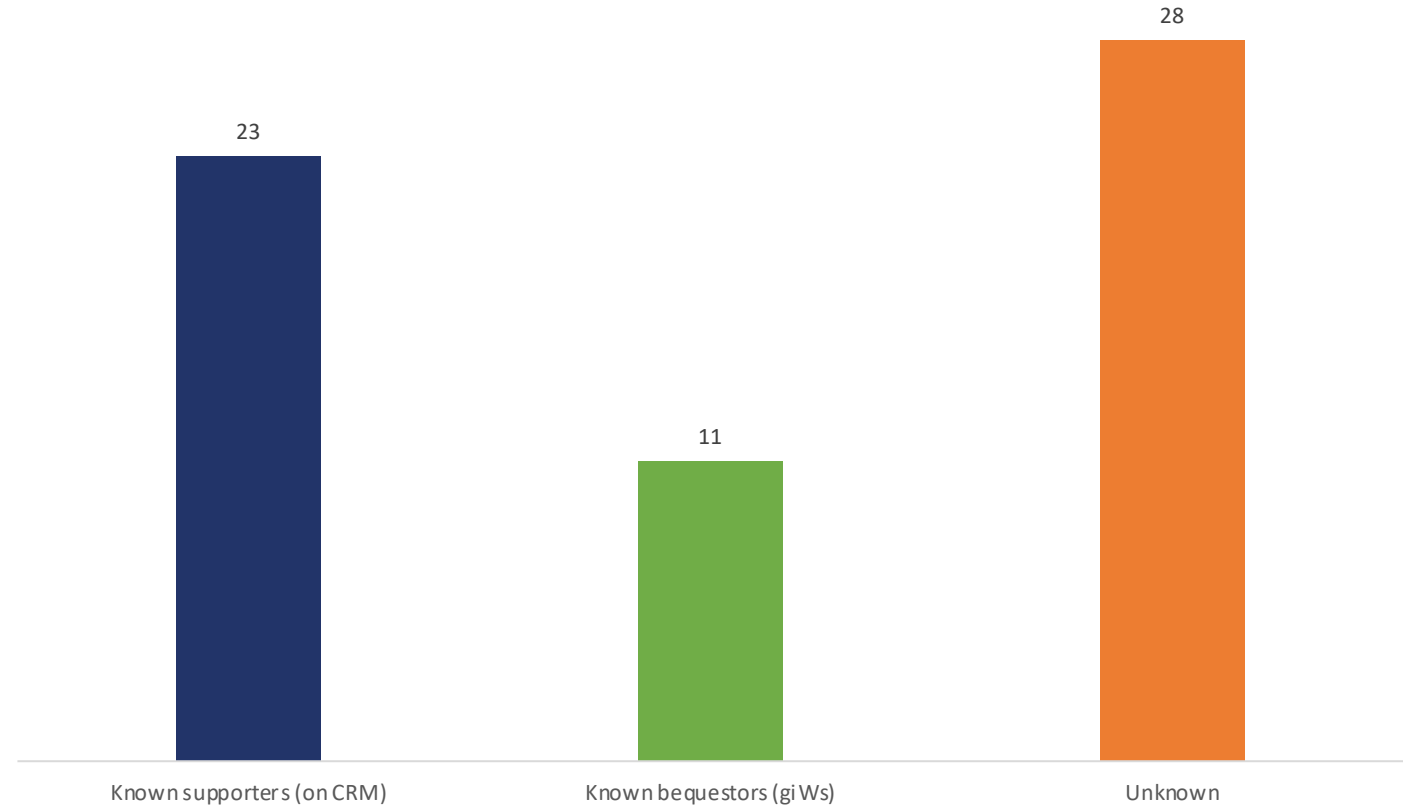
Supporter type: Ave value





Average count
highest from
unknown cohort

Supporter type: Count



Gifts in Wills pipeline



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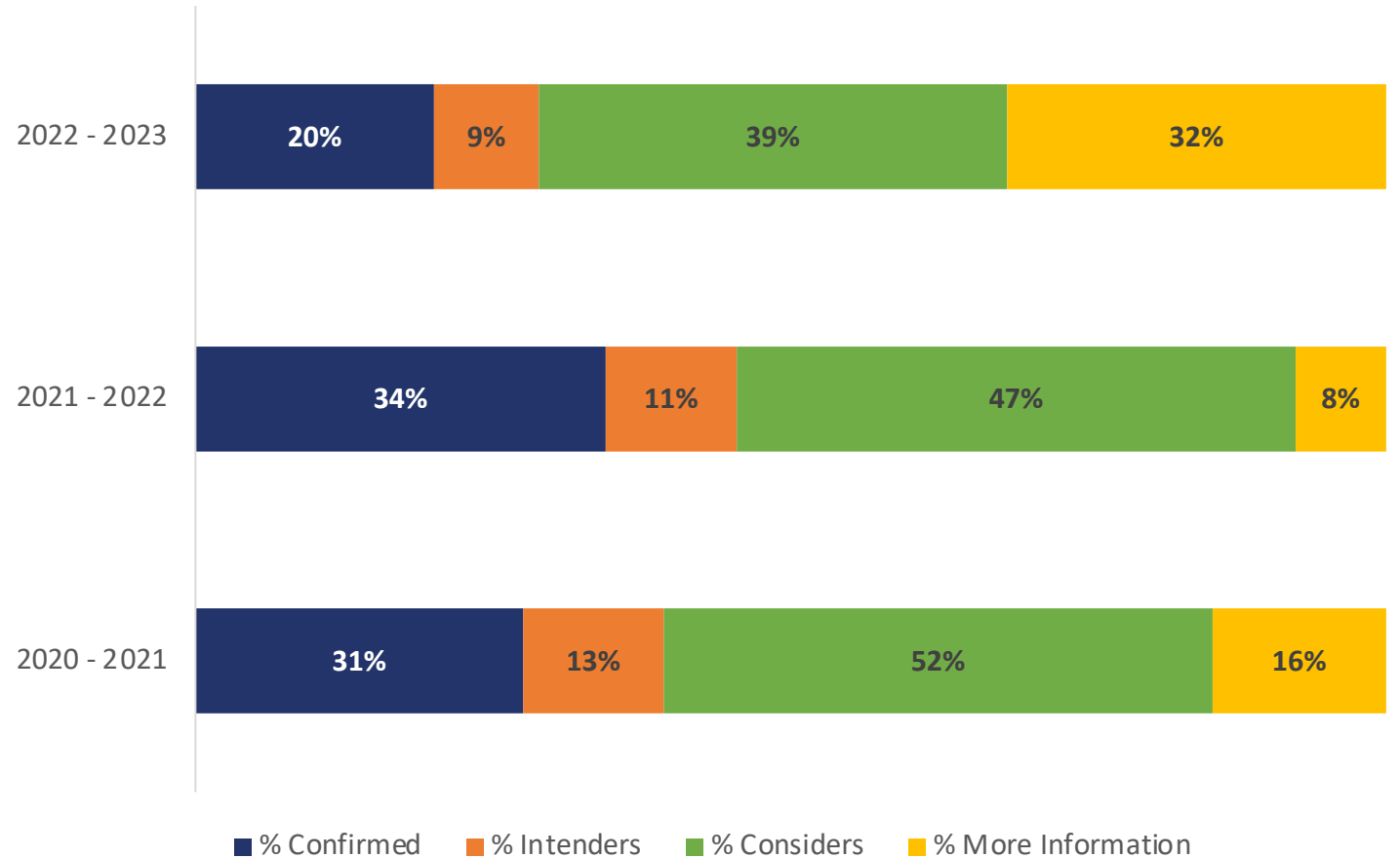


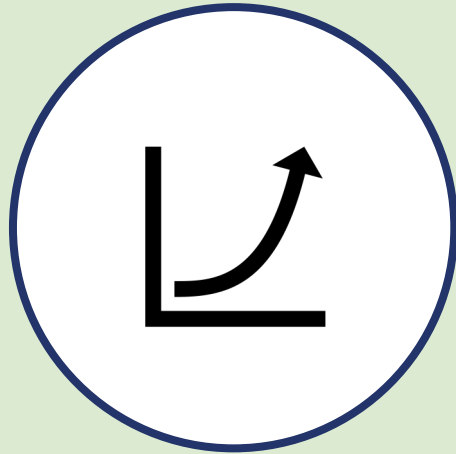
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Confirmed has decreased as a %, after growth in prior years. Mainly due to the growth of “More Information”

GiW’s Pipeline



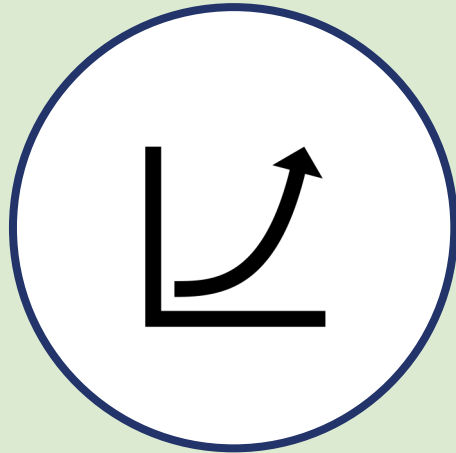


Slight decline after
10.5% growth last
year

Pipeline growth

-1% growth

Included 19 charities who participated in both years



Average total GiW supporters is:

4,536

There is significant value in the GiW's pipeline that should be stewarded like other high value relationships in the organisation.

Average pipeline

Average Confirmed
1187: 22%

Average Estimated Value
Confirmed (70%)
\$67m

Average Intender
440 : 8%

Average Estimated Value
Intender (7%)
\$2.5m

Average considerer
2001 : 36%

Average estimated value
considerer (3%)
\$4.9m

Average more
information
1882 : 34%

Average estimated value
more information (0.5%)
\$762k



Online Wills were reported by 62% of charities – nearly double last year. Strong adoption and good average gift.

Online Wills

Reported Online Will results
62%

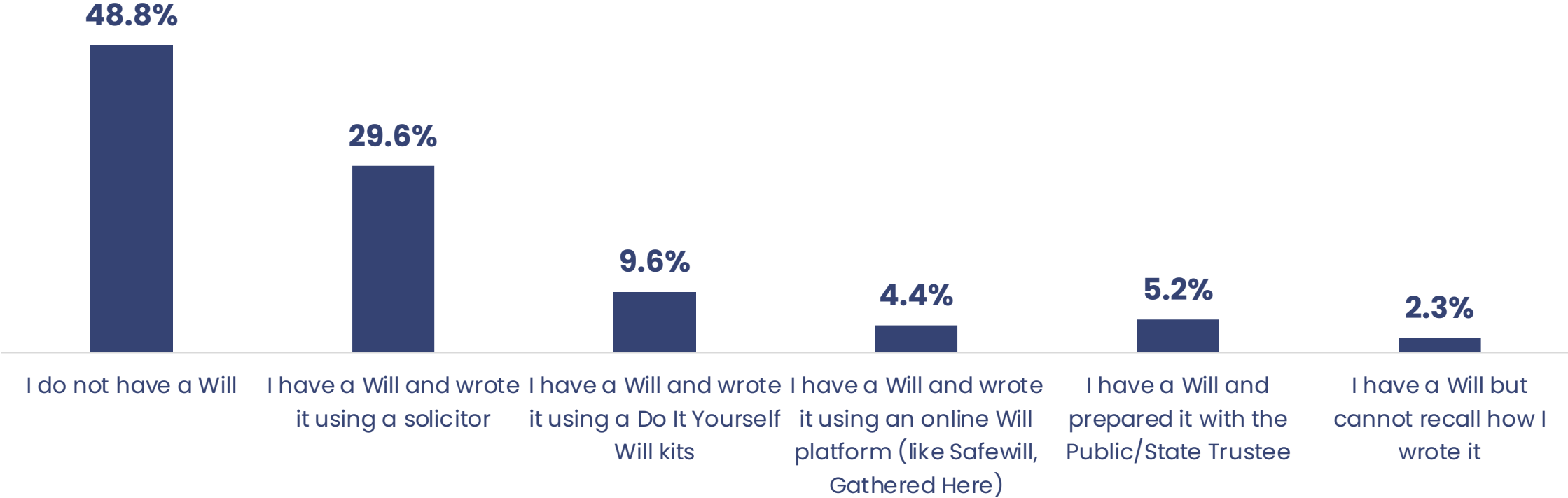
Gift left to charity (over-reported)
72%

Average gift
\$61k

Average number of Wills written 71

Warning: Unknown if Will value actuals or assumptions.

Will Writing



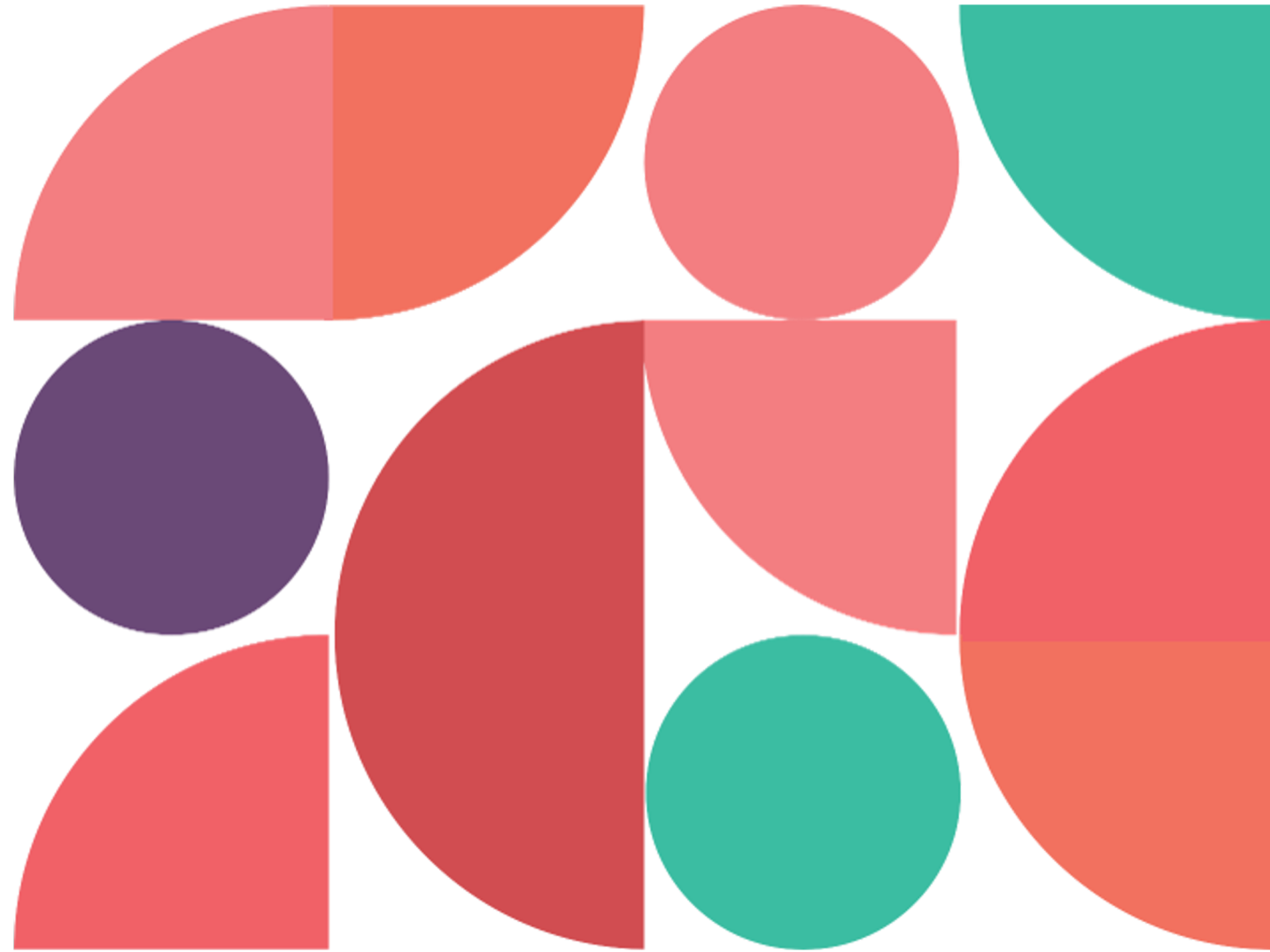


Thank you!

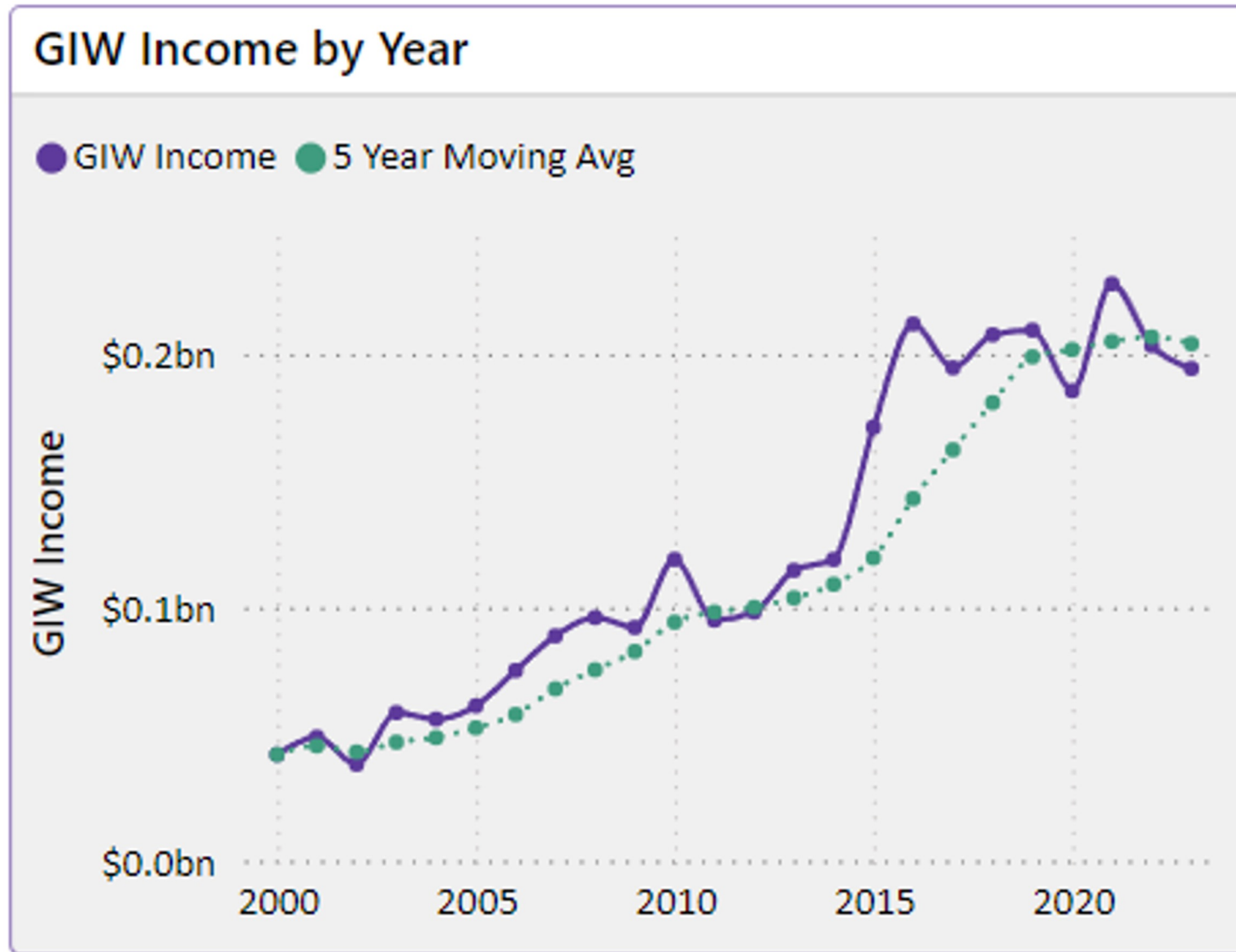
Key Insights & actions

- 1 Average gift is down on last year.
- 2 Need to increase investment in resourcing our stewardship, collaborate with other teams and automate where necessary.
- 3 Online Wills showing gaining increasing investment with an average of 71 Wills written per year per charity
- 4 Focus stewardship on the right people - more residual gifts will deliver significant growth. There is an alarming high number of unknown bequestors.
- 5 Understand the experience of known supporters with realised gifts – Who left them and how has their experience differed. Take learnings and apply to GiW's stewardship and upskill teams.

Gifts in Wills



Gifts in Wills income continued to grow year on year



We observed a 20% increase in Gifts in Wills income over the past 5 years.

This is a Compound Average Growth rate of 6.8% over the past 5 years, and 2.8% over the past 8 years.

The 5 year moving average suggest a potential flattening in growth in the past 5 years.

Gifts in Wills averages

All

\$3,006,958,697

GIW Income

28,570

GIWs

\$105,249

Average GIW

\$11,188

Median GIW

\$18,746,084

Highest GIW

\$100

Lowest GIW

Pecuniary

\$403,887,570

GIW Income

15,238

GIWs

\$26,505

Average GIW

\$5,000

Median GIW

\$7,530,000

Highest GIW

\$100

Lowest GIW

Residuary

\$2,603,071,127

GIW Income

13,332

GIWs

\$195,250

Average GIW

\$61,408

Median GIW

\$18,746,084

Highest GIW

\$100

Lowest GIW

Five-year trend

Residuary

Average GiW \$223,233

Median GiW \$71,000

Pecuniary

Average GiW \$41,027

Median GiW \$5,000

Gifts in Wills

25% of income, 0.04% of gifts

39% of income from donors giving 10+ years

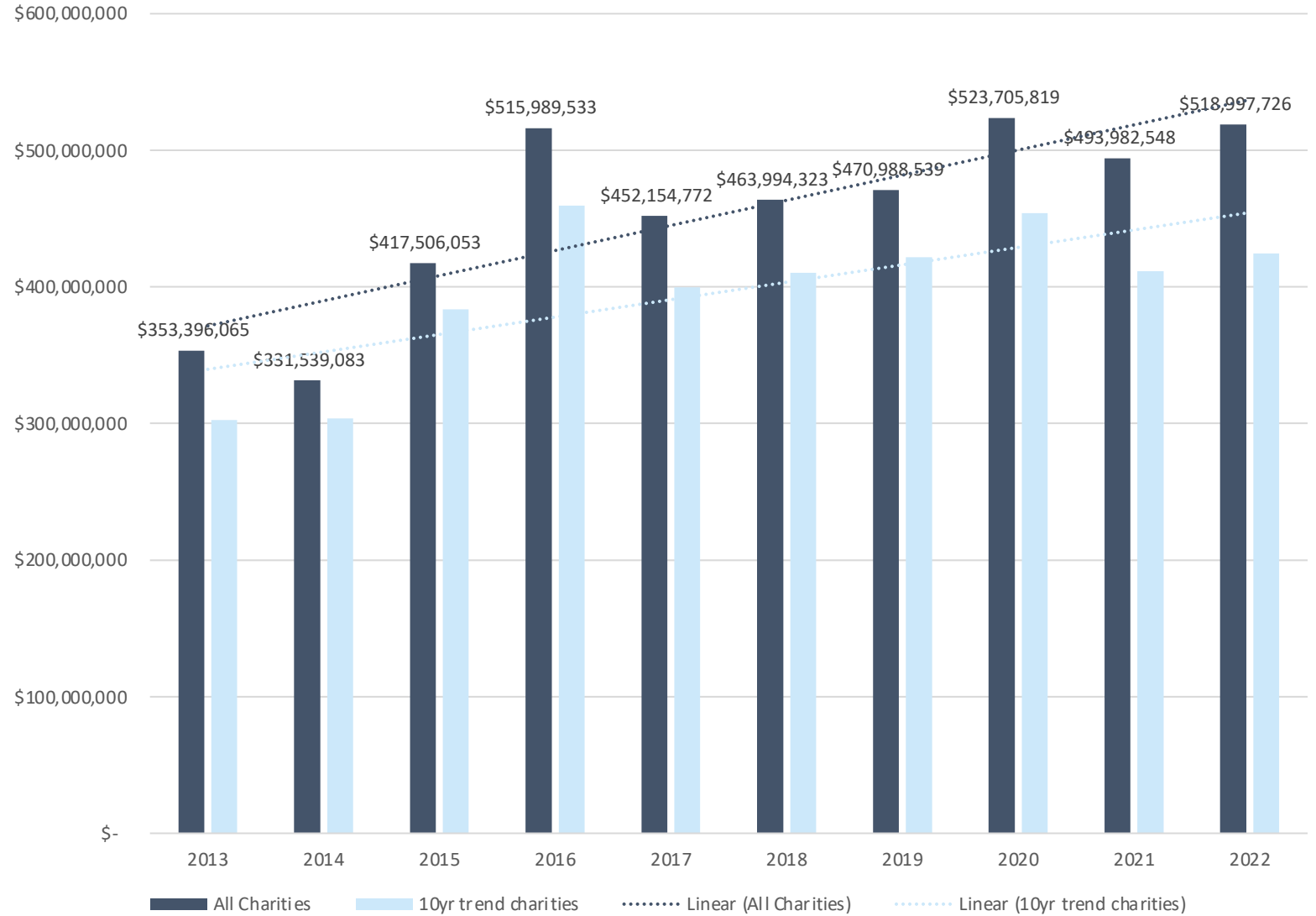
1. 20% increase in Gifts in Wills income over 5 years. A Compound Average Growth rate of 6.8% p.a over 5 years, and 2.8% p.a over 8 years
2. The volume of intending and confirmed Gifts in Wills donors continues to grow year on year with 0.8% of all active donors in 2023 having confirmed a Gift in Will
3. 53% of all Confirmed Gifts in Wills are still active donors
4. For every Gift in Will received from a confirmed Gift in Will donors 3 donors will realise a Gift in Will
5. High value and higher IRSAD decile donors are more likely to confirm a Gift in Will and realise at higher average Gift in Wills
6. 2% of Single Giving recruits giving \$250+ have confirmed a GIW compared to just 0.5% of those giving <\$250
7. Residual Gifts in Wills generate higher averages than Pecuniary
8. The average age of a confirmed Gift in Will donor is decreasing – average age of a new confirm in 2023 was 67
9. The potential for deeper analysis into who realised Gifts in Wills income is coming from is high to improve individual organisation insight into who has been motivated to leave past Gifts in Wills from outside and within donor bases

Average Gifts in Wills Giving income
per charity in 2023: \$8.6m

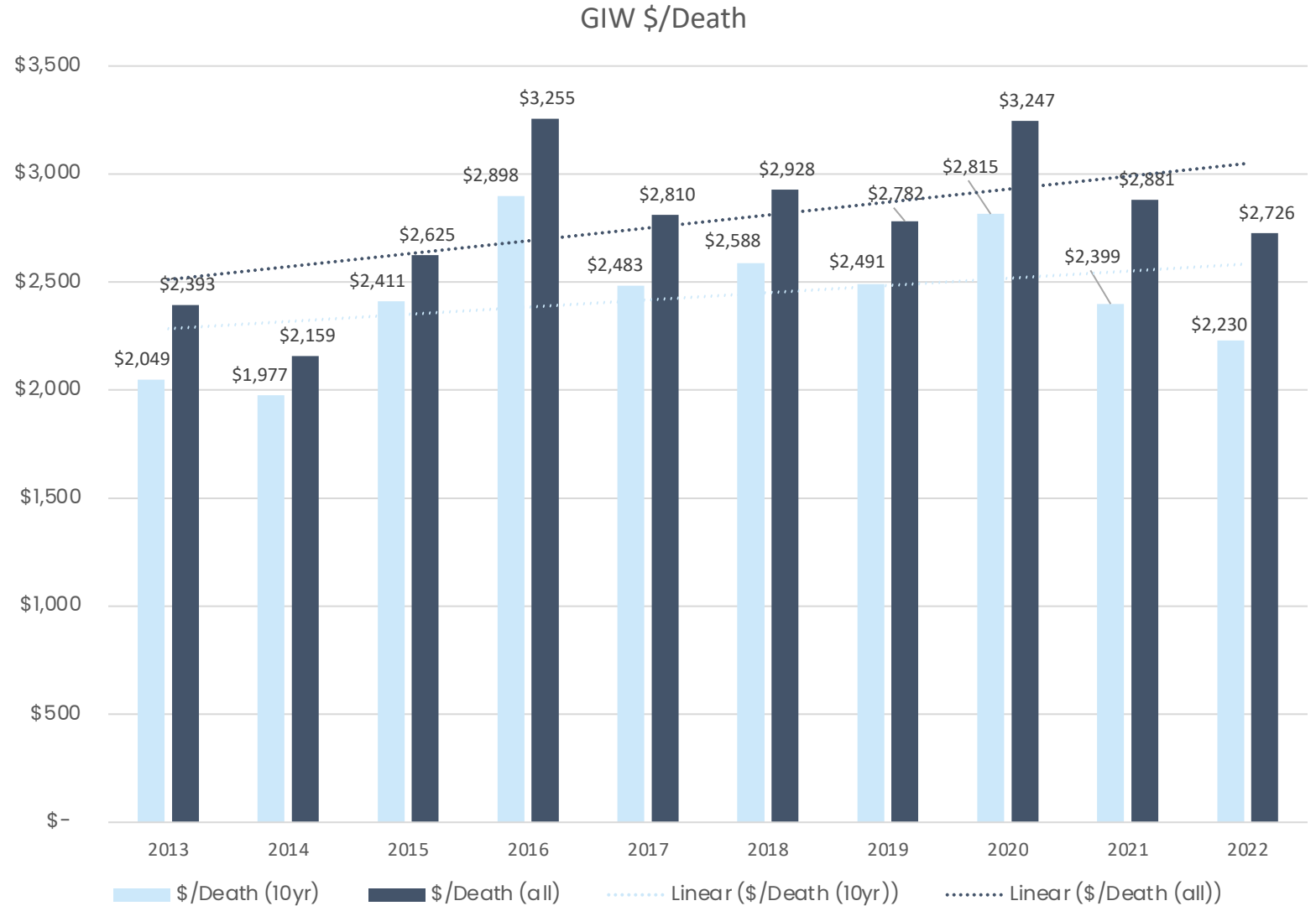


More Strategic: Annual Reports

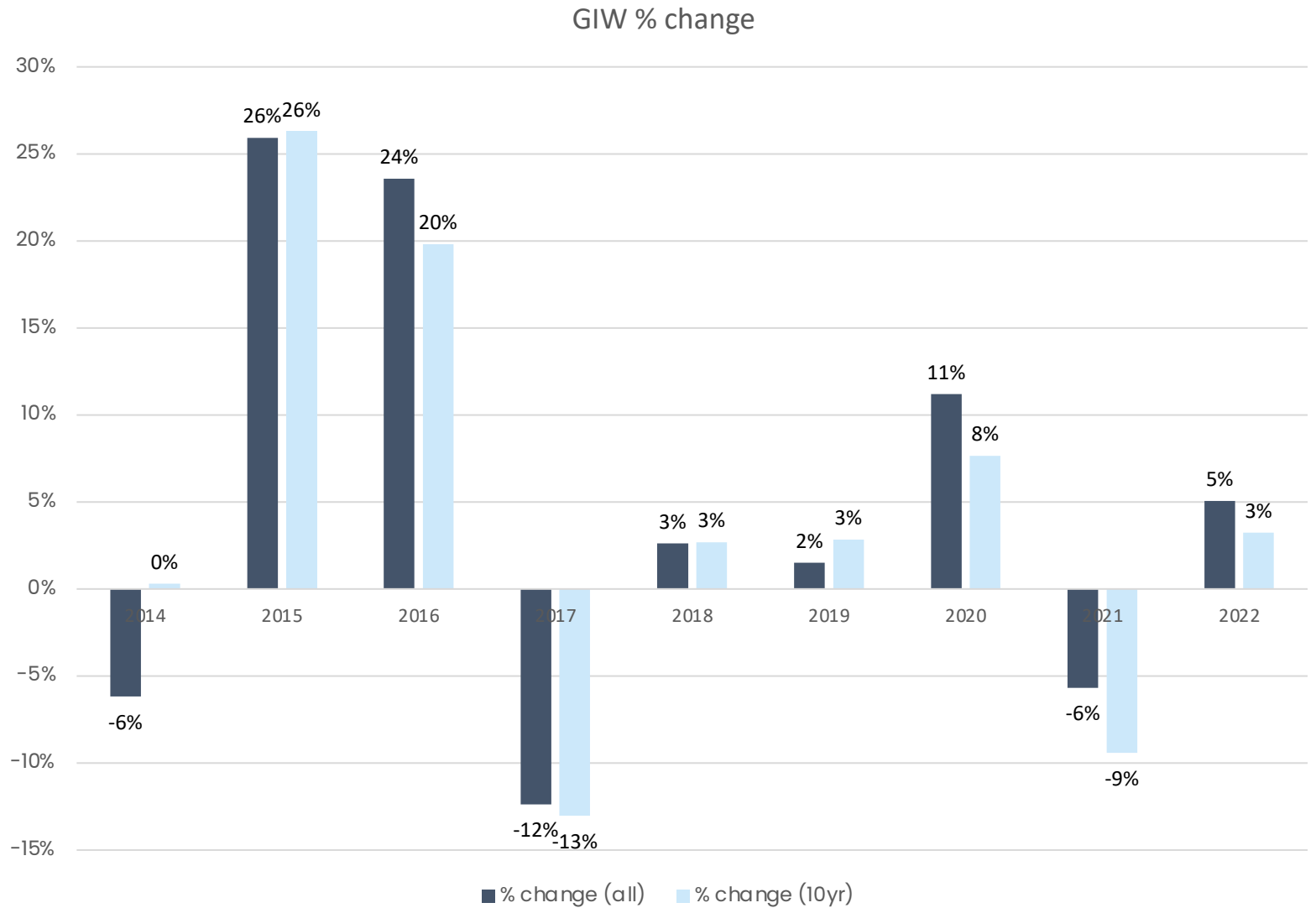
10-yr trends



10-yr \$/Death

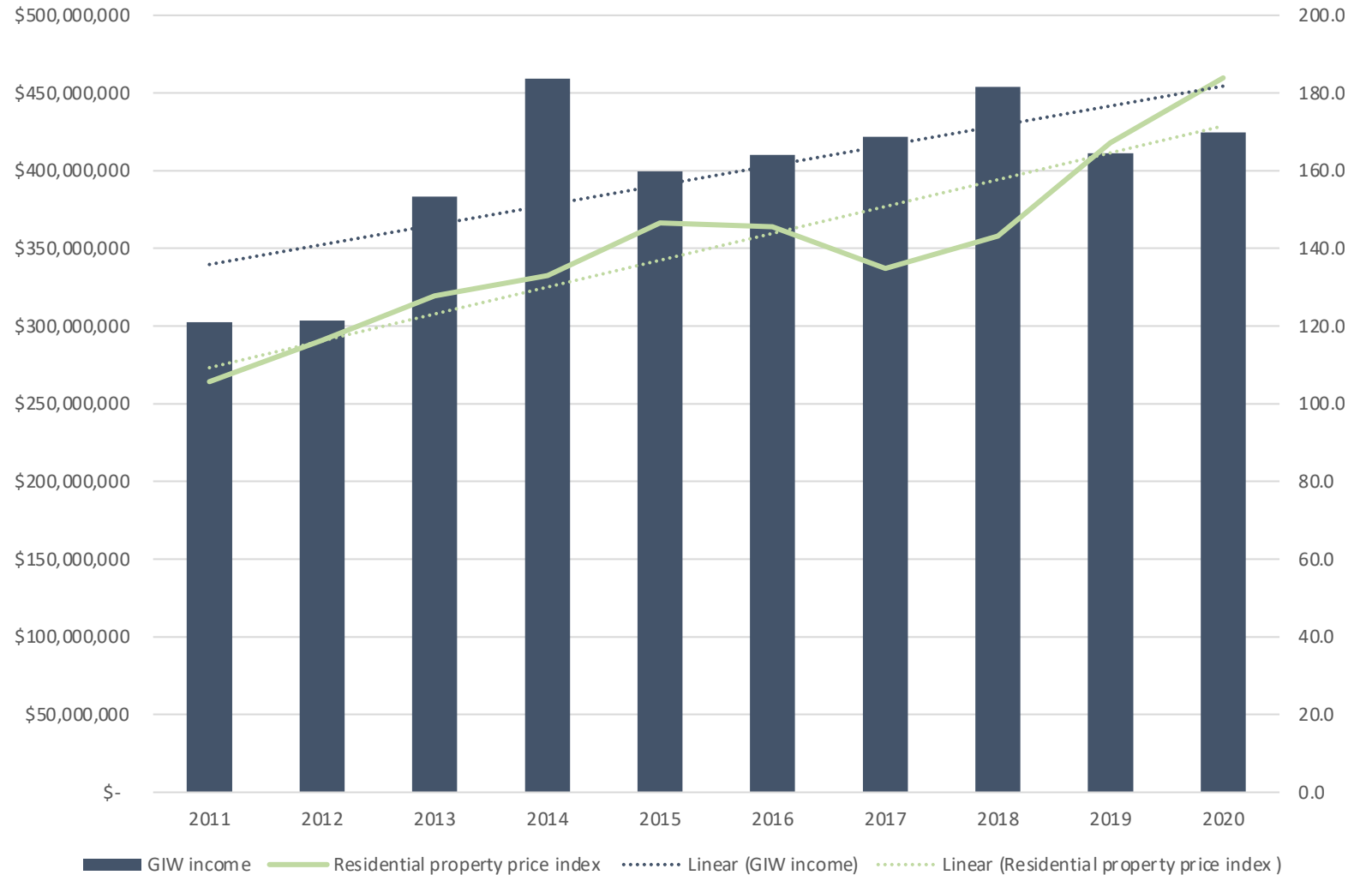


10-yr movement



10-yr income trend with property price

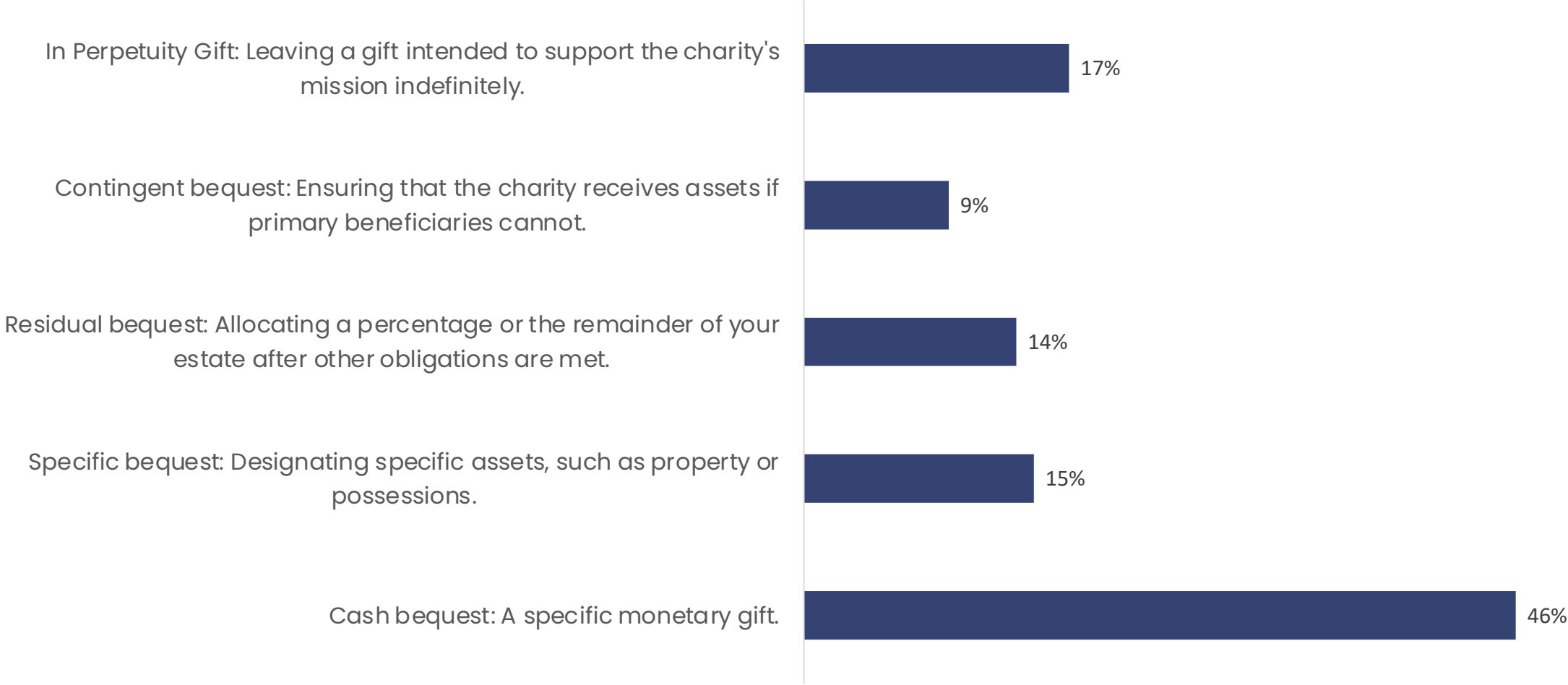
Residential property price index (10yr)



Trend Commentary

- Based on 41 leading charities (federated charities are counted as 1 organisation) the income in 2010 was \$214m. By 2020 it had doubled for these charities to \$430m.
- The rate of growth was significant from 2010 – 15 but we have not seen this rate of growth continue.
- More recent data tracking 51 charities covering 2013 to 2022 is as follows with a 40% growth and a peak in 2020 of \$454m and 2016 of \$460m. If we take into account, all recorded charities for 2022 we have 66 with \$480m.

Impact of gift?



1. All data sets are indicating a slowing of income from giWs however it is likely to be increasingly important
2. Averages and medians do vary and can also vary by state, cause etc so it is important to look at multiple options to predict income
3. Online Wills are growing but remember our large value estates are likely to come from people utilising solicitors
4. Our pipelines are becoming increasingly complex to manage and it is important this is a whole of organisation responsibility

Key Insights: 3 studies

Q&A



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THE MEANING OF

LIFE

...and Legacy

**WEDNESDAY
31 JULY 2024**

9:30AM – 4PM AEST

GUEST SPEAKERS: CLARE EDWARDS & STEPHEN GEORGE



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