

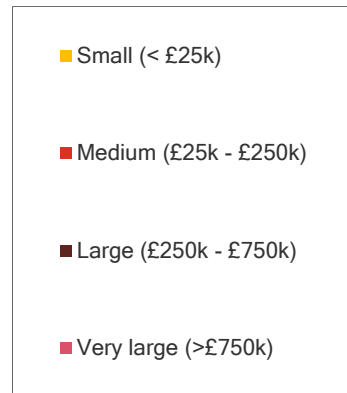
# *Results of the PwC Charities Survey 2012*

Gordon Wilson

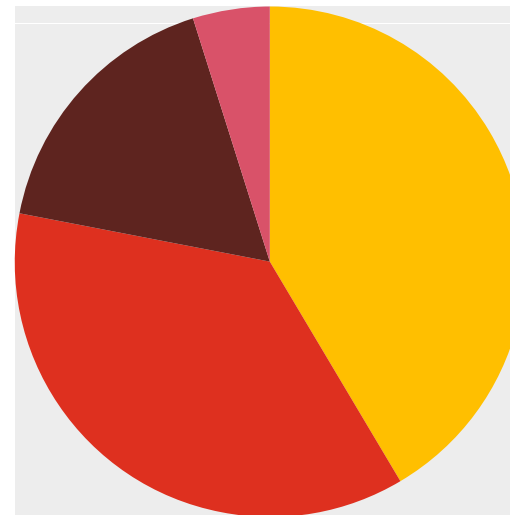
# Charities Survey Results

## *Survey respondent profile*

- Approximately 40 respondents, wide range of charitable objects
- Majority (78%) operating in the Isle of Man only
- Majority small / medium sized (income of up to £250,000 pa)



Organisation size based on annual income



# Charities Survey Results

## *Survey respondent profile (continued)*

- Heavily reliant on volunteers (54% of charity workers)

|                    | <5 | 5 - 10 | 10 - 20 | 20 - 40 | >40 | Total     |
|--------------------|----|--------|---------|---------|-----|-----------|
| Full time employed | 9  | 1      | 1       | 1       | 2   | <b>14</b> |
| Part time employed | 14 | 1      | 1       | 0       | 2   | <b>18</b> |
| Volunteers         | 7  | 9      | 8       | 4       | 9   | <b>37</b> |

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## Charities Survey Results

### *Relationship with the Isle of Man Government*

- A reasonable proportion of respondents (43%) felt that there was a healthy relationship and level of interaction between the IoM government and the charity sector
- A majority (66%) felt that recent government spending policies have had no effect on their charity – 31% felt that there had been a negative impact
- 63% of respondents did not know whether the IoM government has a clear strategy for engagement with their sector
- Many respondents commented that they would like to see more support for / interest in charities during 2013, although there was an agreement that charities lacked a “voice” and could do more to promote themselves collectively

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## ***Charities Survey Results***

### ***Relationship with the Isle of Man Government***

- Suggestions as to what the Government could do to support charities included:
  - Reduced NI rates for full time employees;
  - Outsourcing services to charities
  - Secondment of government employees into the charity sector
  - Introduction of a gift aid scheme
  - Publicly encourage support for those charities that are most helping to fill the funding gap for vital services

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# Charities Survey Results

## *Demand for services*

- 66% of respondents recorded an increase in the demand for their services in the last 12 months, and 63% predicted an increase in the coming year
- Explanations for this vary, but include the economic downturn, cuts in government spending, demographic changes and environmental pressures
- Responses from charities to this primarily involve:
  - increased fund-raising
  - attempts to find more volunteers
  - use of reserves

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# Charities Survey Results

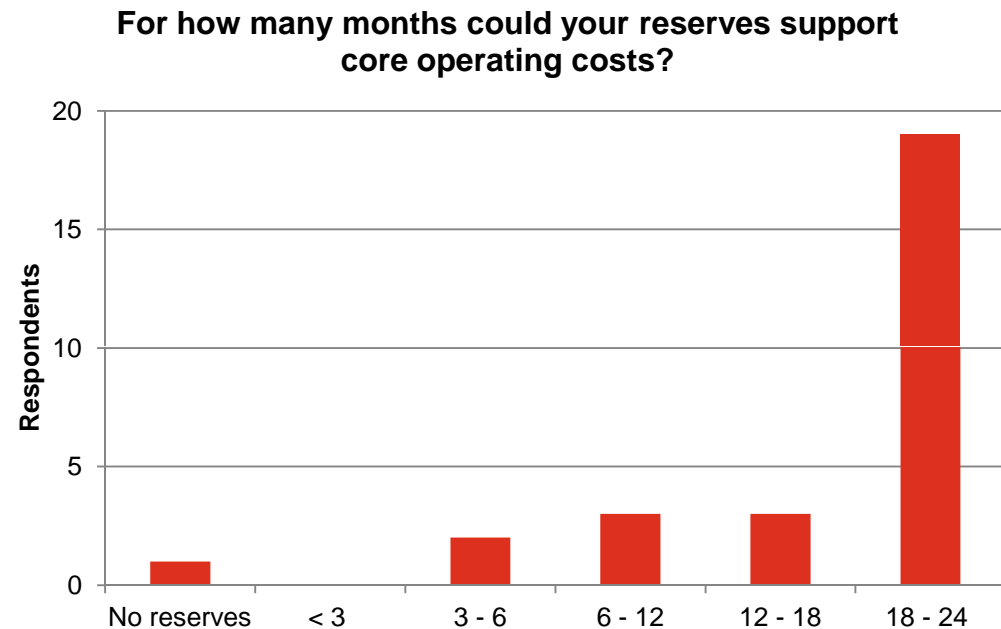
## *Sources of income*

- General public fundraising is the primary source of income across the respondents
- Legacy, investment, corporate donations and lottery money also play a significant role
- Respondents report that income has mostly remained unchanged between 2010 – 2011, and expect it to remain unchanged for the most part over the coming year
- Despite this, the vast majority of respondents felt that the fundraising climate had got tougher over the past 12 months, and would continue to do so over the next year
- The biggest fundraising challenge was felt to be a reduction in donor's disposable income, although competition between charities and perceived uncertainty over which charities to support were also significant factors

# Charities Survey Results

## *Reserves*

- 71% of respondents will or will consider using reserves over the next 12 months to fund shortfalls between income and expenditure and maintain services.
- Only a minority do not need to use reserves – some respondents are prevented from doing so, for example where trustees won't or can't permit it.



- 68% of respondents have sufficient reserves to last them over 18 months

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# Charities Survey Results

## *Costs*

- The majority of respondents have recorded a cost increase in the past 12 months, and expect their costs to either remain the same or increase over the next year
- Staff costs represent the largest cost category amongst respondents, with building/maintenance costs, transport and postage also featuring

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# Charities Survey Results

## *Governance*

- 50% of respondents had performed an in-house strategic review, and the majority of respondents feel that their charity has a clear strategic plan
- The majority (82%) of respondents feel very optimistic or quite optimistic about the outlook for their charity over the next 12 months, with only a small percentage feeling worried

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# Charities Survey Results

## *Recent challenges*

The biggest challenges over the last 12 months reported by respondents include:

- Fund-raising and funding
- Increased demand for services
- Finding appropriate directors / trustees
- Management of investments and low investment returns
- Cost control

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# Charities Survey Results

## *Future challenges and opportunities*

Respondents reported:

### Challenges

- Finding volunteers
- Maintaining volunteers' commitment
- Fund raising
- Demand on services
- Less income
- Rising costs

### Opportunities

- Better engagement with public
- Diversification
- Investment in new projects

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## Charities Survey Results

### *What would help?*

The majority of respondents wanted the same types of support:

- More access to IT expertise
- More qualified directors/ trustees prepared to get involved
- More volunteers, particularly from younger age groups

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# Charities Survey Results

## *Conclusions*

Key themes from the survey include:

- Growing demand for services
- Increased pressures on funding
- Need to focus on & find new ways of fund-raising
- Reliance on volunteers and difficulties in attracting them in sufficient numbers, particularly amongst the younger generation
- Desire for more recognition and support from the IoM government

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# Thanks and any questions...

*Please contact:*

*Gordon Wilson – Advisory Director*  
01624 689 689  
gordon.wilson@iom.pwc.com

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