

Legacy Insights - Ireland

Overview 2015 - 2021



February 2023

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1. Welcome and Introduction

Welcome to the third annual Legacy Insights Ireland overview report. This is the first of its kind, moving from an annual tracker report. It is prepared in an imperfect world of incomplete data and inconsistent reporting, but does now include much improved insight into legacy income to charities and religious organisations in Ireland. Legacies are clearly growing and are an area that Campaign Solutions is passionate about.

This seems to be the moment for legacy in Ireland. Charities are increasingly recognising and appreciating its importance – and potential. For many countries, legacy income is the only growing fundraising source. It is clear that legacy income can increase significantly in Ireland in the coming years and decades also.

The information in this report is based on **new research**. The first report in this annual series in March 2021 was borne of a frustration at the lack of data in Ireland. That report had limitations due to the difficulty of getting hard data but, for the first time, attempted to provide a more definitive insight into and overview of legacy income. More importantly, it provided the platform for future reports.

Additional new information was uncovered for the years previously reviewed in addition to the very significant increase in new data for 2021. This should improve further in 2022 as “bequests” is now a category separated out on the ‘Finance & Activities’ section of the CRA website – even when the full accounts are not provided. Better completion of this information in future years by charities will greatly enhance the available data for research purposes.

There are a number of **provisos** associated with the research and these are highlighted in the Methodology and Notes section. Overall, there is huge potential in Ireland. Given demographic changes and increased promotion by charities themselves and the My Legacy consortium of charities, it is expected that more people will leave bequests in the future. Combined with wealth increases and the now documented considerable transfer of wealth by way of inheritance, there is a

significant opportunity to present legacy as a wonderful opportunity for more people.

This report was undertaken pro bono by Campaign Solutions. It is provided at no fee to charities. The work has inspired additional legacy research and a growing bank of information is now available.

Thank you to all the charities that provided data to me directly and to those who continue to encourage the work in this space.



2. About Campaign Solutions

Campaign Solutions is a fundraising strategy, major gifts, legacy and prospect research consultancy. It has worked with many of the country's leading not for profits in the areas of health, culture, second and third level education, development aid and more. Campaign Solutions is run by Niall O'Sullivan, author of this report. He has over 20 years' experience working in fundraising and philanthropy in Ireland and overseas. He is Chair of My Legacy.

Campaign Solutions in 2021 also established the Legacy Insights research consortium. It has produced significant new legacy data for Ireland also (See Appendix 2).

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3. Research Overview

- Verified legacy income of **€87,243,969** was identified for 2021.
- This is still an understatement of the total value of legacies received by charities – due to lack of reporting and / or transparency from some entities.
- While there has been much new data for 2021, in many cases data from the same organisation is not available for previous years. This makes it difficult to generate a true trend in income. However, a review of over 100 charities that received legacies in both 2016 and in 2021 shows that their combined legacy income grew **almost 40%** in that six-year timeframe.
- The report has confirmed / verified legacy income of over **€410 million** in the seven years 2015 - 2021. Of this amount, €4.9 million represents new data for the years 2015 – 2020 (i.e. this had not been included in the 2021 report).
- It is estimated that, having reviewed the information gaps, the **2021 total** legacy income for the Republic of Ireland is closer to **€100 million**. It may be above this.
- Known / verified income has increased from **€34.6m in 2015 to €87.2m in 2021**. That's an **increase of 152%!**
- More charities are now securing legacies. **279** were identified for 2021.
- Overall, the number of charities actually getting bequests is still low.
- 2017 remains a standout year. **Elizabeth O'Kelly** almost doubled the verified legacy income that year when she left €30m combined to five charities.
- Sectors that receive minimal, or even zero legacy income some years, include:
 - Arts and culture
 - Environment
 - LGBTQ+
 - Sports clubs and their representative organisations
- The **top 10** charities received over 37% of all recorded legacy income in 2021.
- The **lowest** amount recorded by a single charity in 2021- other than the many hundreds receiving zero - was €300.
- The **highest** annual income for any one organisation recorded was **€9.6 million** (in 2021) – a new high during the timeframe of this research.
- More organisations are securing **€1m +** in legacy income. 21 did so in 2021, up from 13 in 2020 while 2017 saw 16 charities achieve that milestone.

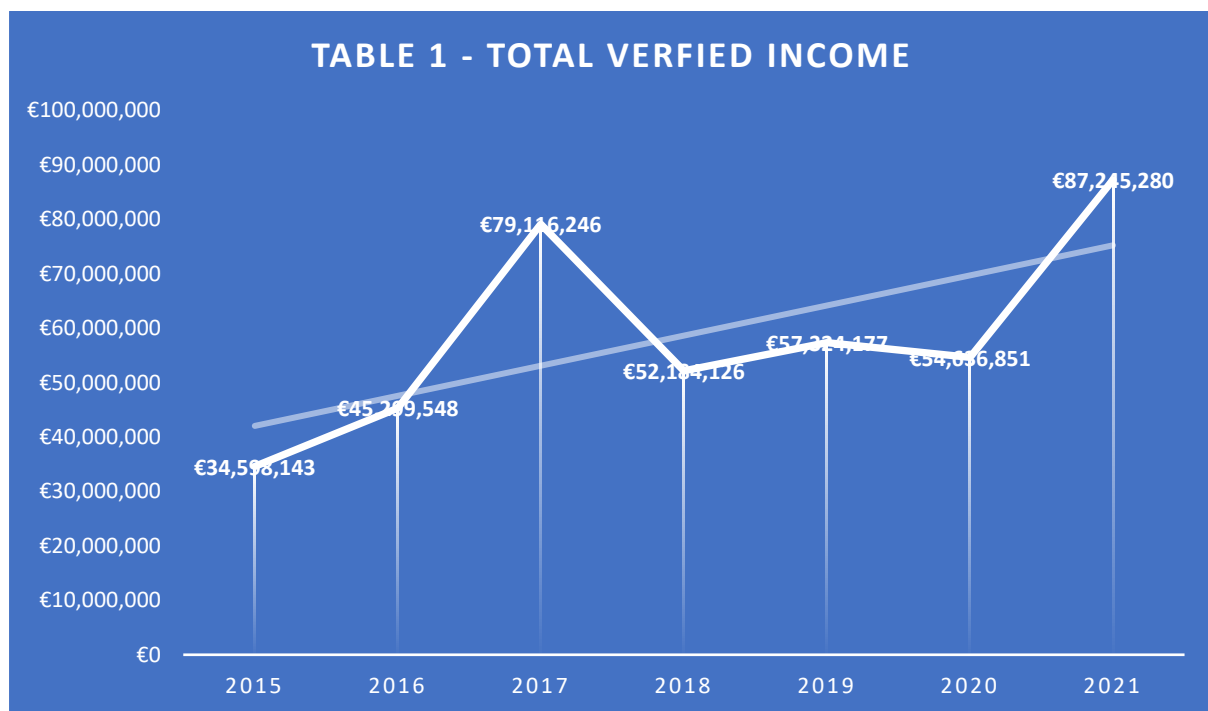
4. Detailed Findings

4.1 Market Value and Trends

Verified income has risen from €34.4m to €87.2m in the seven years studied. This is a very significant increase.

Elizabeth O’Kelly in 2017 ensured a clear spike for 2017 but the upward trend (second blue line) overall is still evident. It is unlikely that any other voluntary income source has increased so much – and more importantly - has such clear potential to grow even more.

All years are understatements, but they are the best figures achievable as of now. We are however edging closer to the true picture and 2022 will be very revealing when available.



Total legacy income for Ireland is estimated to be close to €100 million, perhaps above.

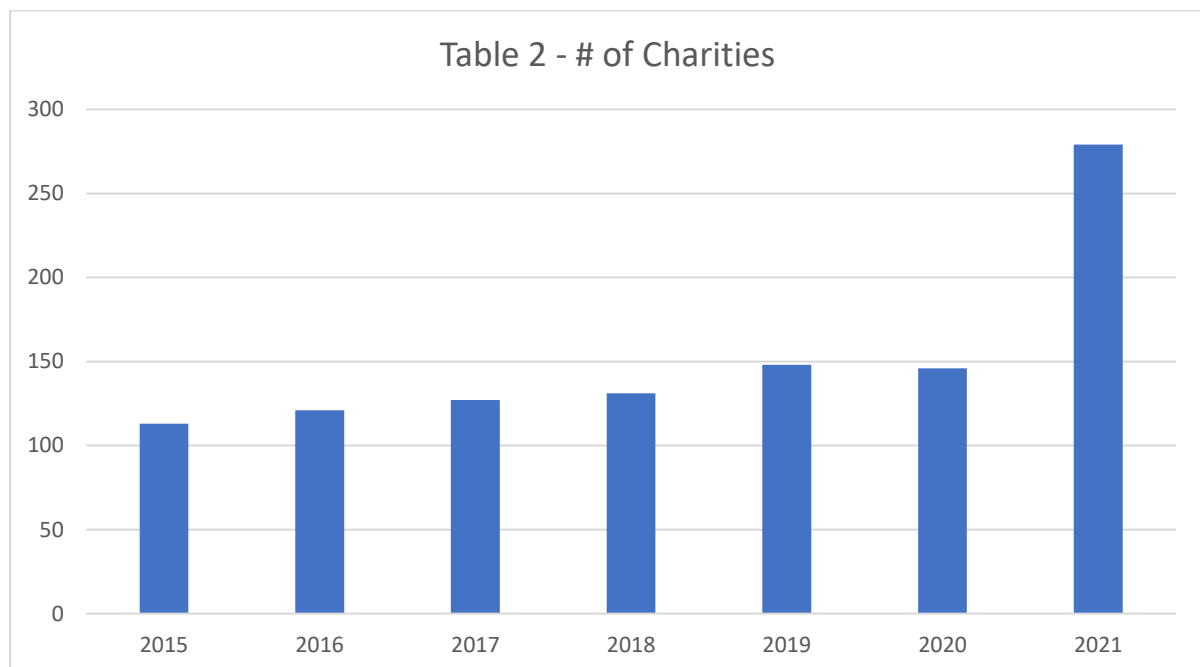
The 2022 report included an assessment of the possible total for 2021. This was quite a bit off. No detailed attempt has been made in this report to assess total legacy

income - other than the estimate above. 2022 is the crucial year in terms of data and we should have an even clearer picture then.

The **average** total legacy income secured per charity was €312,702 - down from €426,829 in 2020 but remarkably similar to the €312,530 recorded in 2019. When there is more consistent data from the additional charities a truer average figure will emerge.

The 2021 median figure was €93,214, up from €81,476 in 2020.

4.2 Number of Charities / Organisations Known to be Receiving Bequests



Over 300 charities have now been identified with confirmed bequests. Numbers have risen from 113 in 2015 to 279 in 2021. This is due, in part to market growth, but primarily due to improving data. There are still more - and hopefully they will be reflected in the 2024 report.

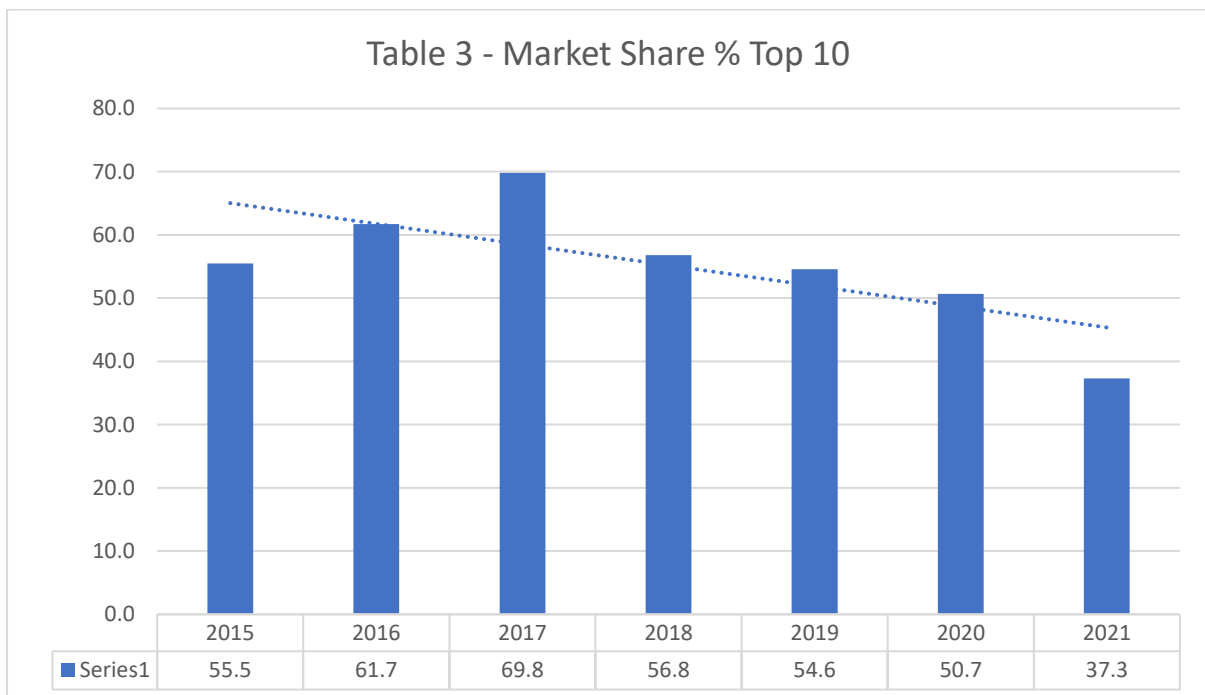
As per Benefacts 2020 report, Ireland's non-profit sector had 32,841 organisations. In 2016 only c.1,700 entities out of the then 8,000 registered charities in Ireland availed of the tax relief scheme for donations over €250. Source: "The Impact of the 2013 Change in The Tax Treatment of Charitable Donations" – Philanthropy Ireland 2019. If the vast majority of charities are not securing donations from individuals (or at least

donations at the €250+ level), they are probably less likely to be seeking or receiving bequests.

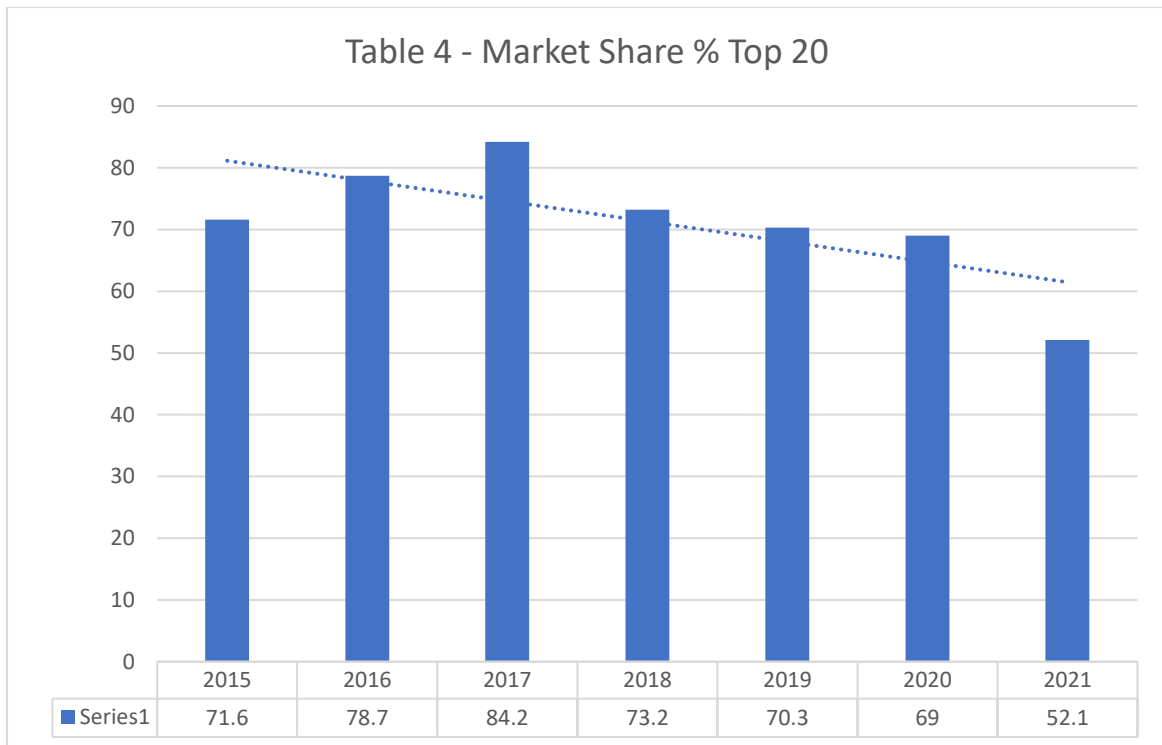
The number of charities availing of the scheme increased to 2,696 (Revenue.ie 2023) while the number of registered charities has increased to more than 11,600 (CRA 2023).

4.3 Market Concentration

A relatively small number of charities secure a significant percentage of known legacy income. As data improves, that percentage is dropping closer to a more accurate correct figure. The UK has seen an explosion of smaller charities receiving legacy income and there are green shoots in that respect in Ireland now too which will also make an impact on the Top 10 and 20.



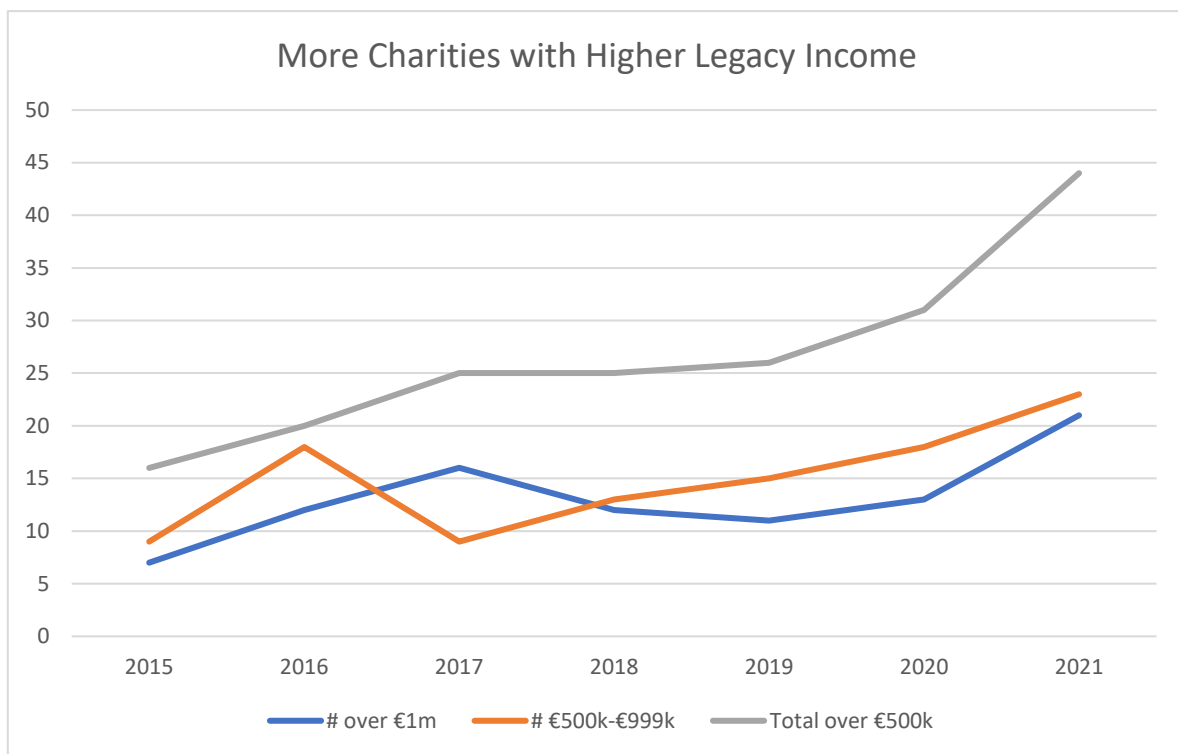
2017 was something of an outlier due to the Elizabeth O’Kelly bequests.



4.4 More Millions

There has been a significant increase in the numbers of charities known to have exceeded €1m in their total legacy income in a given year and far more achieving €500k+. For some charities, a single bequest – typically residuary involving a property – can be responsible for reaching the €500k+ category in a given year. In 2021, 44 charities had legacy income of over €500k, 21 recorded legacy income over €1m. Making the Top 20 is no longer a formality if you reach or exceed €1m. Almost €1.1m was required in 2021 to make the Top 20 and over €1.6m to make the Top 10. Three of the Top 10 for 2021 and seven in total for the Top 20 were not reported on in previous reports as no information was available for them at the time. Of that seven, six are religious bodies.

Table 5 – Analysis of Charities with Highest Legacy Incomes



In addition to the emergence of new data, other factors to explain the increases include increased legacy promotion, rising property values and a gradually increasing death rate.

4.5 Is Legacy Income Growing Overall?

When data is either incomplete and / or inconsistent, it is difficult to make absolute findings. However, when we compare ONLY those charities that secured KNOWN legacy income in 2016 AND again in 2021, A significant increase is evident.

121 charities are known to have received legacies in 2016. 15 of these did not receive bequests in 2021. So, when comparing only those that received bequests in both years, there was a 39.5% increase, equivalent to over €17 million.

Table 6 – Growth in Legacy Income

Year	# of Charities	Legacy Income
2016:	107	€43,025,138
2021:	107	€60,057,319

True market income and growth figures are impacted by a combination of factors:

1. Changes in legacy income to charities already securing annual legacy income
2. Increase in number of charities securing legacy income for first time
3. Annual income changes for charities securing periodic legacy income
4. Asset values, especially property.

4.6 The Ups and Downs of Legacy Income

Unless a charity has had a very strong proactive legacy programme in place for at least five years it is difficult to predict future income. This explains some of the following findings from comparisons between 2016 and 2021. We use 2021 as baseline as there is more data than for 2015.

- 15 charities that received legacies in 2016 had none in 2021.
- 71 charities with verified legacy income from 2016 had a higher total in 2021. This included many spectacular growth stories.
- 37 charities with verified legacy income from 2016 had a lower total in 2021. The falls were less pronounced than the growth figures.
- Among the increases recorded by charities from 2020 to 2021 were:
 - €600k to €4.4m
 - €980k to €1.9m
 - €450k to €1.5m
 - €20k to €350k
 - €15k to €170k ... and many more

5. Sector Breakdown

An attempted sector breakdown was provided for 2020. This will hopefully be expanded to previous and subsequent years in future reports. Benefacts classifications were used but is now closed, so there is additional work now required to add classifications to the many new charities and organisations identified.

6. Data Collection

More charities are providing a breakdown of legacy income in their accounts. It can be inconsistent, but generally in more recent years there has been an improvement in the separation and presentation of legacy figures in accounts.

A relatively small number of charities make a feature of their legacy income in the annual reports – an opportunity missed for the majority. The CRA website is now a much-improved source of information and will improve over time.

7. Potential for Growth?

7.1 Wealth Transfers

There would appear to be a big opportunity for charities. Indeed, Ireland could be one of the fastest growing ‘markets’ for legacy in the decades ahead. Figures from The Community Foundation for Ireland’s ‘Legacies for Good, Wealth Transfer and the Potential for Philanthropy in Ireland’ report suggested a minimum annual wealth transfer of €5.7billion in 2017. The Probate Offices have first-hand sight of this annual transfer and in 2022 suggested it could be as much as €8billion - €10billion. Most expect the annual wealth transfer figure will rise in future years.

In 2023 a new Central Bank of Ireland report (conducted in the second half of 2020) – “The Long and the Short of it: Inheritance and Wealth in Ireland” revealed that:

- Over a third of households in Ireland (approximately 690,000) have received some kind of inheritance or gift in the last 20 years.
- The accumulated value of these intergenerational transfers was €97 billion.
- Assets received: money (57%) dwellings (33%) and land (19%).
- Average value of transfers in 2020 terms was €229,335
- Median value was €80,913.
- Households which had received inheritances or gifts were “substantially wealthier” than those that did not. Their median income was typically 17% higher while their net wealth was 155% higher.

Based on a possible €10 billion wealth transfer figure for 2021, and known legacy income of €87m the percentage left to charity is approaching 0.9% and may be closer to 1%.

It is very possible that more people will leave bequests, simply by virtue of changing demographics, BUT, charities must prepare for this situation.

7.2 International Comparisons

The following shows comparisons with a number of countries. Ireland is lagging behind most - and in many cases, by some distance.

Table 7 – International Legacy Data

Country	Year	Percentage of Fundraised Income	Totals
UK	2021	19%+	€4,071,200,00
France	2019	11%	€1,000,000,000
Switzerland	2019	11%	€276,946,630
Belgium	2018	10%	€205,000,000
USA	2019	10%	\$43.21 billion
Netherlands	2019	7.9%	€323,000,000
Spain	2019	4.9%	€144,526,000
New Zealand	2020	4%	€114,000,000
Ireland	2021	5.1%	€87,200,000
Germany	2019	1.8%	€300,000,000

Sources: NZ Support Report, JBWere 2020; NCVO Civil Society Almanac 2021. The figures for France, Spain, Netherlands and Switzerland are sourced from a 2021 report prepared by Philanthropy Services AG, Switzerland for StiftungSchweiz. The percentage figures are amended to remove lottery income for Spain, Netherlands and Switzerland data to allow for better comparison with other countries. USA data is from the Giving USA 2020 report.

There are many ways of judging this and getting consistent international data can be difficult. A 2019 UK report found that “research shows that fundraising charities continue to be heavily reliant on income from legacies, which generates 28% of their total voluntary income.” Source - UK LEGACY FUNDRAISING MARKET 2019, Remember a Charity.

Note: The above in some cases are best estimates. Indeed, in the case of e.g. Netherlands, Legacy Foresight there believes this to be an understatement - and provided data separately to Campaign Solutions that 23.8 % of total fundraising income for the top 100 Dutch charities is from legacy. The Belgian figure (Source EFA 2020) covers just 121 non-profits so true total is also likely to be far higher. Likewise, NZ was based on just 200 charities so may be an incomplete total. The 2021 report

by Philanthropy Services AG, Switzerland for Stiftung Schweiz does not appear to have been repeated but new comparative data may emerge in mid-2023 as a result of a research initiative of charities involved in LegaVision.

Apart from the USA, each known total has been included as €.

The following table has been amended slightly from the first Legacy Insights Ireland Overview 2015 – 2019. It shows that if Irish people, pro rata, left bequests at the same rates as their NZ, legacy income would be €117m and if we gave as the same rate as people in the UK it would increase to over €200m.

Table 8 – Pro Rata Potential

Country	Population 2022	Potential Legacy Income – Pro Rata	€ - Year	Percentage
Ireland	5,123,536	€87m	2021	-
New Zealand	5,124,120	€114m	2020	76%
UK	67,508,936	€310m	2021	28%

Average NZ \$ exchange rate in 2020 was: 0.5696 EUR. Estimated legacy income in 2020 was \$200m / €114m. Our population numbers are very similar. UK legacy income for 2021 was £3.5bn. Average UK £ exchange rate in 2020 was: 1.1632 EUR.

7.3 Demographics

There is an ageing population in Ireland. The following table from the CSO is based on predictions from a number of economists regarding the total number of people expected to pass away in the years up to 2051. This suggests a near doubling of current rates from 29,500 to closer to 55,000 per annum.

Table 9 – Ireland Projected Death Rates

Deaths

The average annual numbers of deaths are projected to increase steadily under all scenarios from 29,500 in 2016 to between 54,400 and 56,500 by 2051 depending on the scenario chosen. Figure 2.5 graphs the projected deaths for the most optimistic and most pessimistic scenarios, with the other scenarios falling between these.

Figure 2.5 Deaths by year for selected assumptions, 2017 – 2051

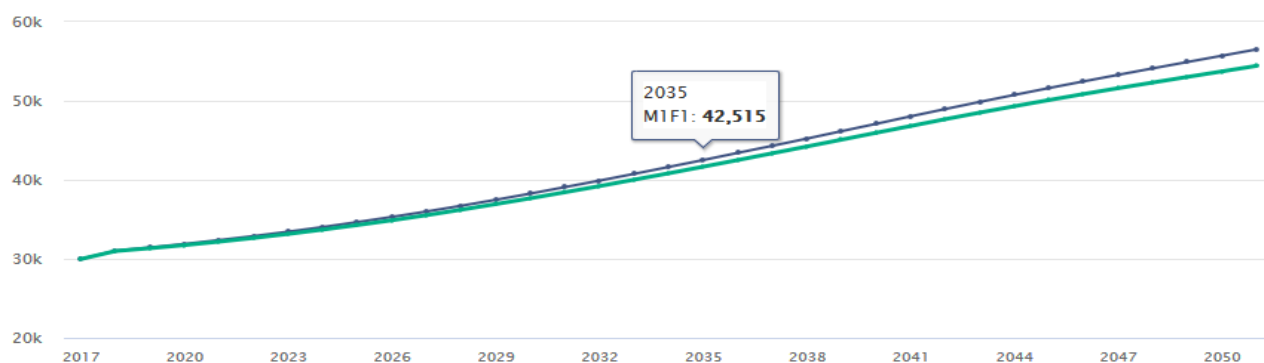


Table 10 Deaths in Ireland - Projected and Actual 2017 – 2022

Year	Projected	Actual
2017	29,983	30,418
2018	30,987	31,140
2019	31,443	31,184
2020	31,740	32,856
2021	32,375	33,055
2022	32,884	tbc

7.4 The Impact of Faith

As referenced elsewhere in the report, faith-based groups are under-represented due to a lack of reporting. Faith is a known factor in some legacy giving. In addition to faith-based organisations there are other well-known charity brands in the housing, hospice and other sectors closely associated with faith and e.g. to key figureheads from a faith background. While demographics indicate growth, religious participation in Irish society is dropping, e.g. the proportion of Catholics in Ireland declined in 2016 to 78.3% from 94.9% in 1961 (Source CSO). Proactive promotion by charities in the future will be necessary to ensure that bequests in the future are left to a more broad-based array of organisations.

8. Legacy Share of Fundraising Income in Ireland

The 2022 Giving Ireland Report stated that total fundraising income for charities in Ireland in 2019 was €1.78 billion, dropping to almost to €1.71 billion in 2020.

Based on verified legacy income for 2021, and applying it to the 2020 total fundraising income for Ireland; this suggests the percentage income from legacy was almost 5.1%. This is higher than previous estimates.

9. Methodology and Notes re Research

A mix of desk research and a significant amount of direct contact with charities was undertaken.

- Years covered are 2015 – 2021 inclusive.
- Financial statements were accessed from charity websites directly, the CRA website and previously from Benefacts (which closed in February 2022).
- The CRA website now also includes a ‘Finance & Activities’ section which includes information on bequests.
- Annual reports from charity websites were also a source of information.
- Available data up to February 15, 2023 is included.
- 2021 data is missing data from a small number of late filing charities. This data will (hopefully) be captured and included in the 2024 report.
- The accounts of c3,000 charities were reviewed. Where there was no public indication of legacy income, but a belief there could be legacy income, those charities were contacted directly. Many replied, providing valuable additional information, others confirmed that legacy income was in fact zero.
- Too many charities provided accounts in an abridged format. They , for the most part, could not be included as the accounts provide insufficient detail.
- Organisations with a trust structure are not obliged to put their accounts into the public domain. A small number do but there may be an under-reporting of these entities legacy income. This is regrettable, but the situation will improve given new summarised data provided on the CRA website – even for trusts.
- A number of charities were unable to provide information for earlier years, most notably 2015, but in some cases up to 2019. Internal recording systems are improving. This research work has helped charities identify significant information gaps in their own data. Processes are improving.

- The presentation / inclusion of legacies in audited accounts has improved year on year with more charities including legacies as a line item in the main accounts or, more commonly, in the notes section. The vast majority still include the information in donations. SORP is not mandatory in Ireland which is a key reason for this.
- It was good to see that more data from universities is included in the 2023 report. There are still gaps, but the hope is that more information will be available in future years. The new technological universities were not approached directly, but will be at some stage, in the future. They are not, as yet, thought to be securing legacy income.
- Church and diocesan accounts were reviewed and included where possible. Many dioceses don't make their accounts public. This issue has been highlighted in the media and elsewhere. The Association of Catholic Priests, in its most recent 'Table for Transparency' report (2020), reported that just 10 of 26 dioceses had their accounts on their website. Only some of those who do so, separate out legacy income. More data should hopefully be available from this sector in the future via the CRA.
- Some established fee-paying schools are known to have received bequests in years past but data is not yet available from this cohort, except to confirm legacy income as zero in some cases. School accounts are not available online and there is not the same level of detail provided about them on the CRA website Finance & Activities section.
- There are a small number of organisations that do not, in their accounts, provide a breakdown between Northern Ireland and Republic of Ireland income and a small number that do not provide a breakdown from UK/RoI income. Thank you to those who when contacted directly provided the breakdown when requested.
- Some organisations have failed to engage in the research alas, but this cohort is reducing year on year. There is still a reticence to share data and to even talk about the topic of legacy among some.
- 12 entities, mostly parishes of one particular denomination, whose information was on the CRA were excluded - as it is believed the information may have been provided incorrectly. Their bequest amounts for 2021 ranged from €6 to €293. These could be In Mem donations.
- Direct contact was made with many charities – either to complete missing years or to get information where none re legacies was provided in the accounts etc. Thank you to the over 25 charities who provided new 2021 data or additional information as a result – without this, many millions would have been 'missing'. A small number of others will (hopefully) do so, but had not done so at the time of

writing. As a result, it is expected that this report will be updated with new 'historical' legacy data as it emerges in future months / years.

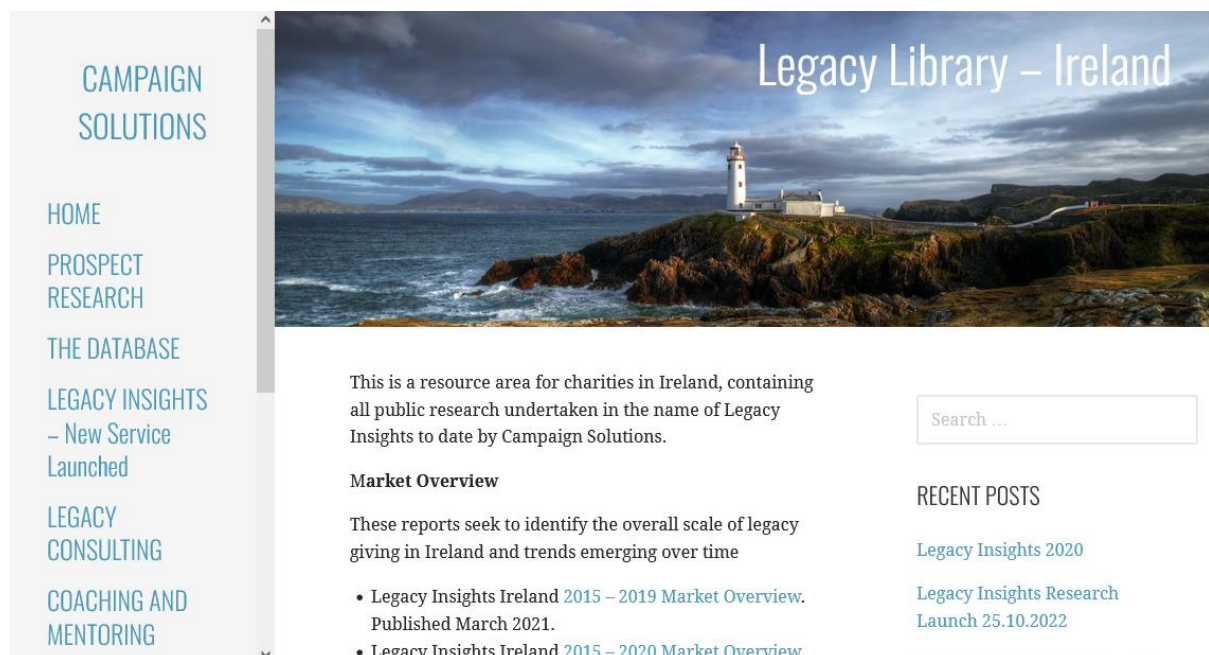
- The author is satisfied that the vast bulk of the key players from Irish charities have been included.
- The process continues to highlight the difficulty many fundraisers have in getting basic data or running a simple legacy income report. This needs to be addressed, especially for those seeking to be more proactive in this space.
- In certain cases, information on legacy income was available in annual reports or accounts some years, but not consistently in all. This can happen due to changes of leadership or other factors. Some of these organisations unfortunately did not provide legacy income information for the missing years.
- Note: the terms legacy and bequest are used interchangeably throughout this report.
- In conclusion, a big thank you to all who helped make this report possible.

Appendix 1 – Other Legacy Insights reports

A growing bank of data is emerging. The following have been published / will be published:

- Legacy Insights Ireland Overview 2015 – 2019, published in 2021
- Legacy Insights Ireland Overview 2015 – 2020, published in 2022
- Legacy Insights Ireland Overview 2015 – 2021, published in 2022 (this report)
- Legacy Insights Ireland Consortium Tracker – 2019 data, published in 2022 (more detail on bequest sizes and more)
- Legacy Insights for the Arts Sector in Ireland, published in 2022
- Legacy Insights Probate Review 2021, 2022

The Campaign Solutions website now includes a ‘Legacy Library’. The report are available at: <https://campaignsolutions.ie/legacy-library-ireland/>



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LEGACY INSIGHTS – New Service Launched
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Legacy Library – Ireland

This is a resource area for charities in Ireland, containing all public research undertaken in the name of Legacy Insights to date by Campaign Solutions.

Market Overview

These reports seek to identify the overall scale of legacy giving in Ireland and trends emerging over time

- Legacy Insights Ireland 2015 – 2019 Market Overview. Published March 2021.
- Legacy Insights Ireland 2015 – 2020 Market Overview.

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- Legacy Insights 2020
- Legacy Insights Research Launch 25.10.2022
- Probate Review Ireland 2021

Appendix 2 – Introduction to Legacy Insights Research Consortium

The Legacy Insights research consortium is made up of over 20 charities that are ambitious in the legacy space. It is relevant to those already securing legacy income, even sporadic or low levels of legacy income. It is a fee-based research service with prices and further detail outlined in the link provided below. It is modelled to some degree on the Legacy Foresight, a research initiative established in the UK and now operating in other countries also.

The charities provide data to Campaign Solutions and this is collated and is enabling deeper insights to emerge. It is intended that much of the new information be in the public domain. The more charities supplying data the better the quality the research outcomes will be. An annual tracker of charities legacy data is undertaken.

More complete information is available at <http://campaignsolutions.ie/legacy-fundraising/>

Appendix 3: Other Services Provided by Campaign Solutions

Other Legacy Services

Additional information about the Campaign Solutions legacy consulting services can be found at <https://campaignsolutions.ie/legacy-consulting/> - this includes:

- Legacy training – one to one and small group
- Developing written, practical legacy strategies and plans
- Focus groups – to get the insights of your donors / supporters.

Prospect Research and Other Fundraising Services

Additional information about the Campaign Solutions prospect research services can be found at <https://campaignsolutions.ie/prospect-research/>

- Prospect research for major gift fundraising
- Wealth screening
- Fundraising strategy
- Mentoring and coaching

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