

Factory New Trust Update 2022

Factory's New Trust Update (NTU) archive database currently has 3,900 trusts and foundations in it as of February 2022. These are all the grant-makers that have been featured in NTU since 2005. To add value to the database, which is accessible online exclusively to NTU subscribers, we update the records with the latest financial information available from the Charity Commission. We also update the classification information on which trusts have been removed from the Charity Commission register and which are financially inactive. This information allows subscribers to quickly and easily see how large the various trusts are, and therefore which ones are likely to be able to make the largest grants. The database also includes classification information on the potential areas of interest of the grant-makers.

Analysing this data, we can provide a useful overview of the grant-makers in the database and provide some interesting insights into the UK trust and foundation market. Highlights include:



2,500+

Active grant-makers in the archive database giving away more than £1.7bn a year



1 in 3

Active funders with a total expenditure in excess of £100,000



1 in 4

Newly registered grant-makers founded by a philanthropist with an estimated wealth in excess of £10m



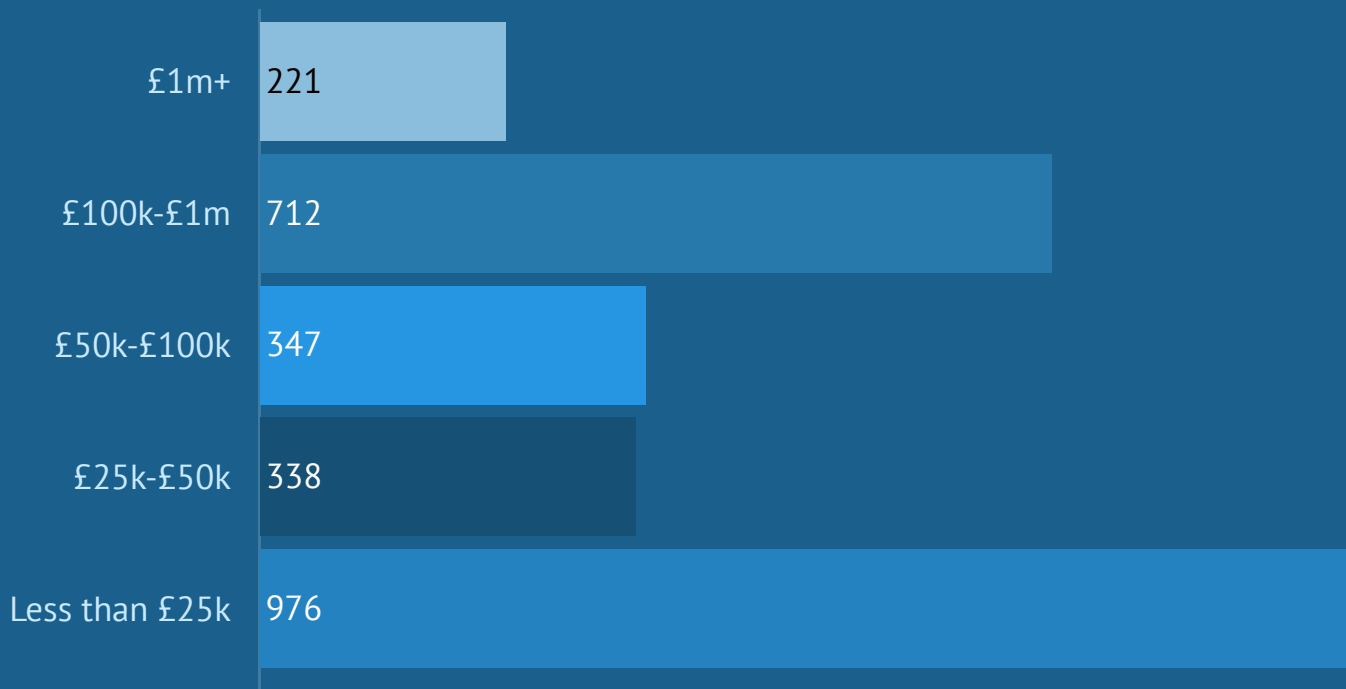
1 in 4

Featured grant-makers have an expenditure in excess of £100,000 in its first year of operation

Database Overview - Expenditure

Of the 3,900 grant-makers in the database, **over 2,500 (66%) are currently active**. 638 have been removed from the register and 387 are classified as newly registered and haven't submitted their first set of accounts. The rest are classified as not financially active, showing no financial information for a number of years. **The total expenditure of all these active grant-makers in the last financial year is £1.76bn.**

Within those that are active, whilst the largest proportion are relatively modest in terms of their annual expenditure, **36% have a total expenditure of over £100,000**. There are also currently 221 grant-makers on the database with a total expenditure in excess of £1m in the last financial year.



The largest grant-makers on the database in terms of expenditure include:

The Masonic Charitable Foundation

Total charitable expenditure of £91m in 2021

The Gecko Foundation

Made grants totalling over £30m to ten organisations in the areas of advancement of religion, disadvantaged youth, arts and culture, and health and disabilities.

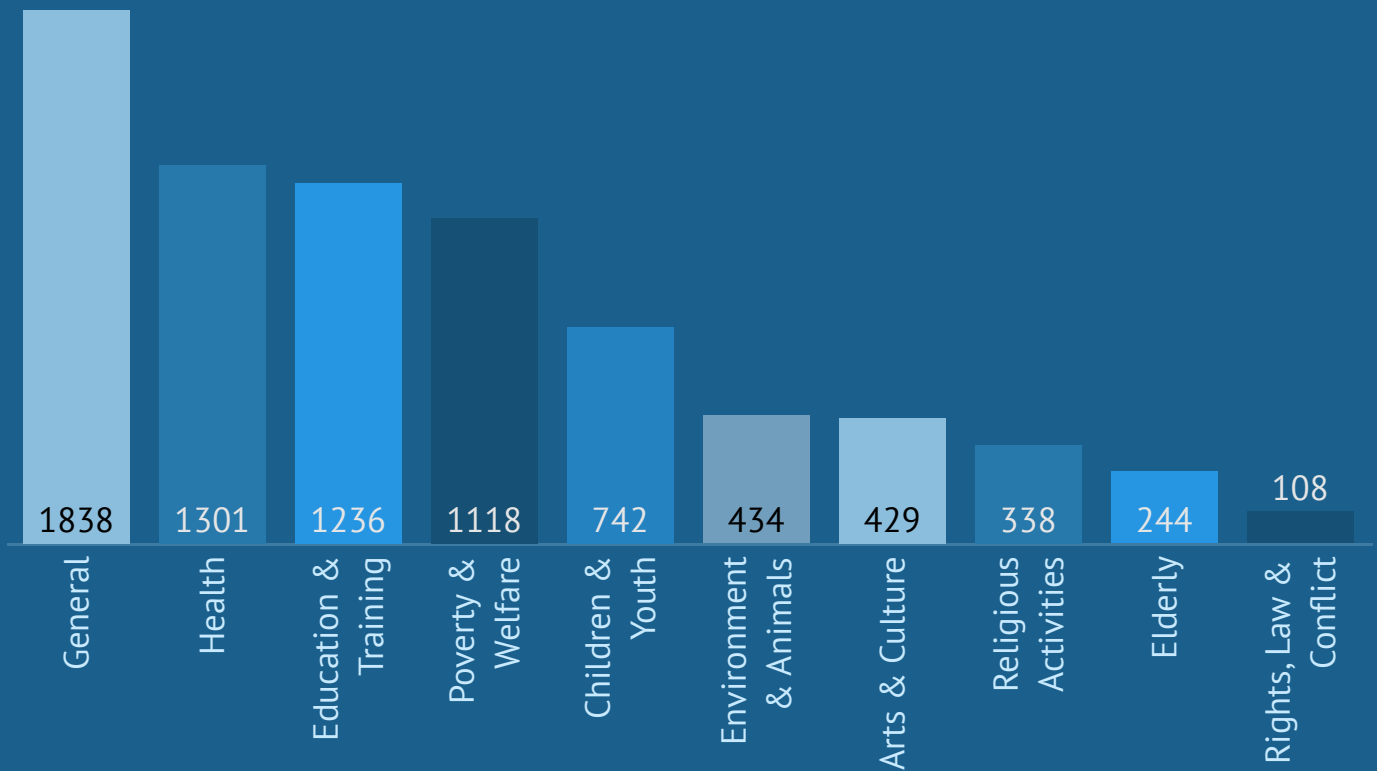
The Quadrature Foundation

Registered in 2020 and had a total expenditure of £24.3m in its first year of operation

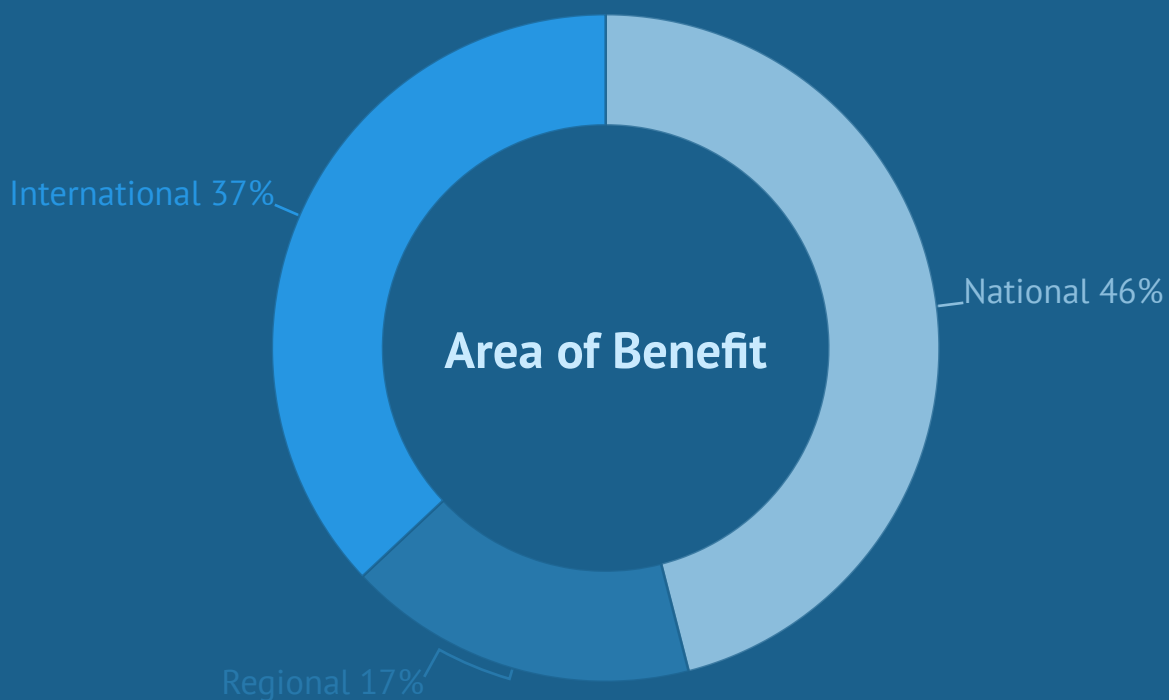
Database Overview - Activity

By far the most common objects of grant-makers on the database are for General Charitable Purposes, with nearly 50% of trusts and foundations registered having undefined areas of interest. This is to be expected as it allows the trustees to develop their focus as the grant-maker becomes more established, or respond to a wide range of causes that they are interested in.

However many grant-makers are registered with objects that specify the charitable activities towards which they will direct grants. The most common of these are **Health, Education & Training and Poverty & Welfare** - all referenced by over 25 per cent of the grant-makers on the database.

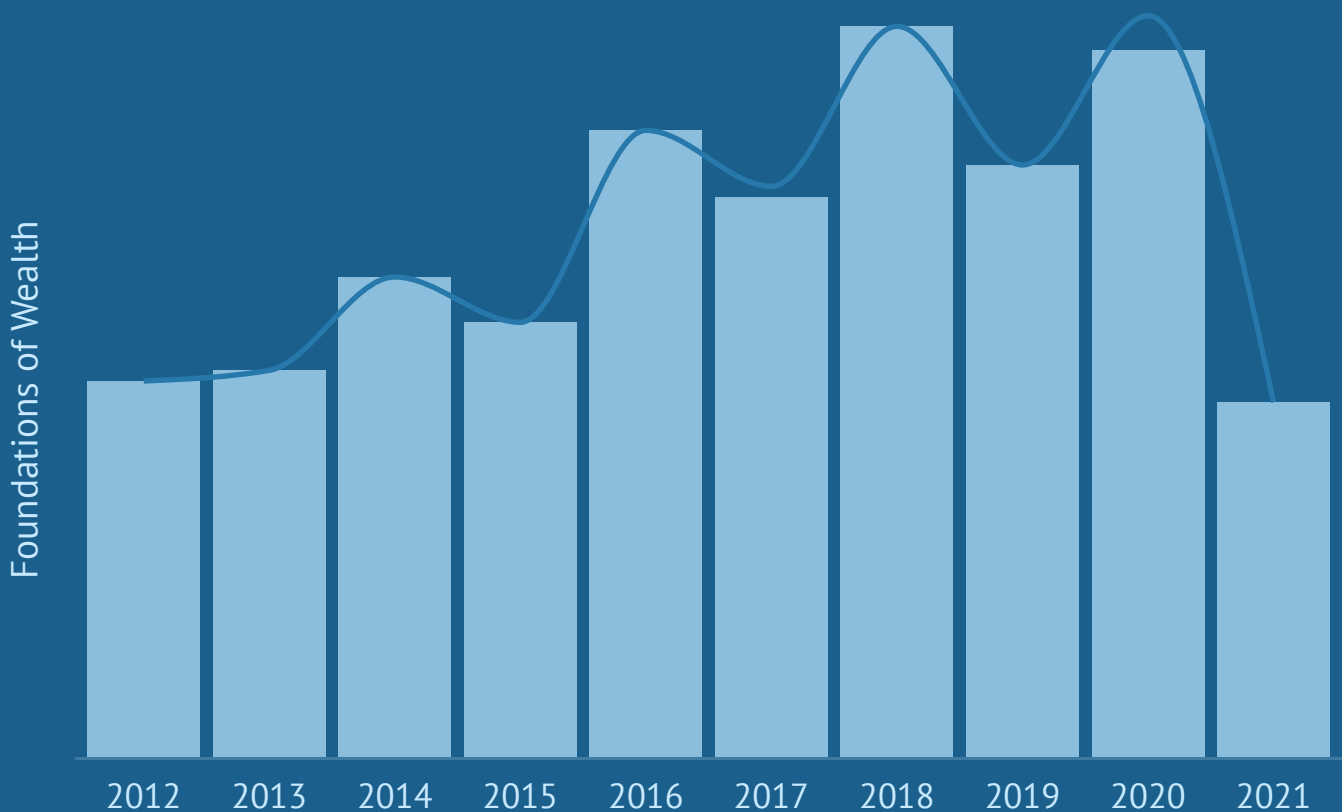


At time of registration **nearly two thirds of the grant-makers state their area of benefit is within the UK**, with just over a third stating they will fund work overseas. However in practice it is likely that a larger proportion do not limit their funding to the UK. Within those with a UK area of benefit, there are also a number that have a specific regional focus.

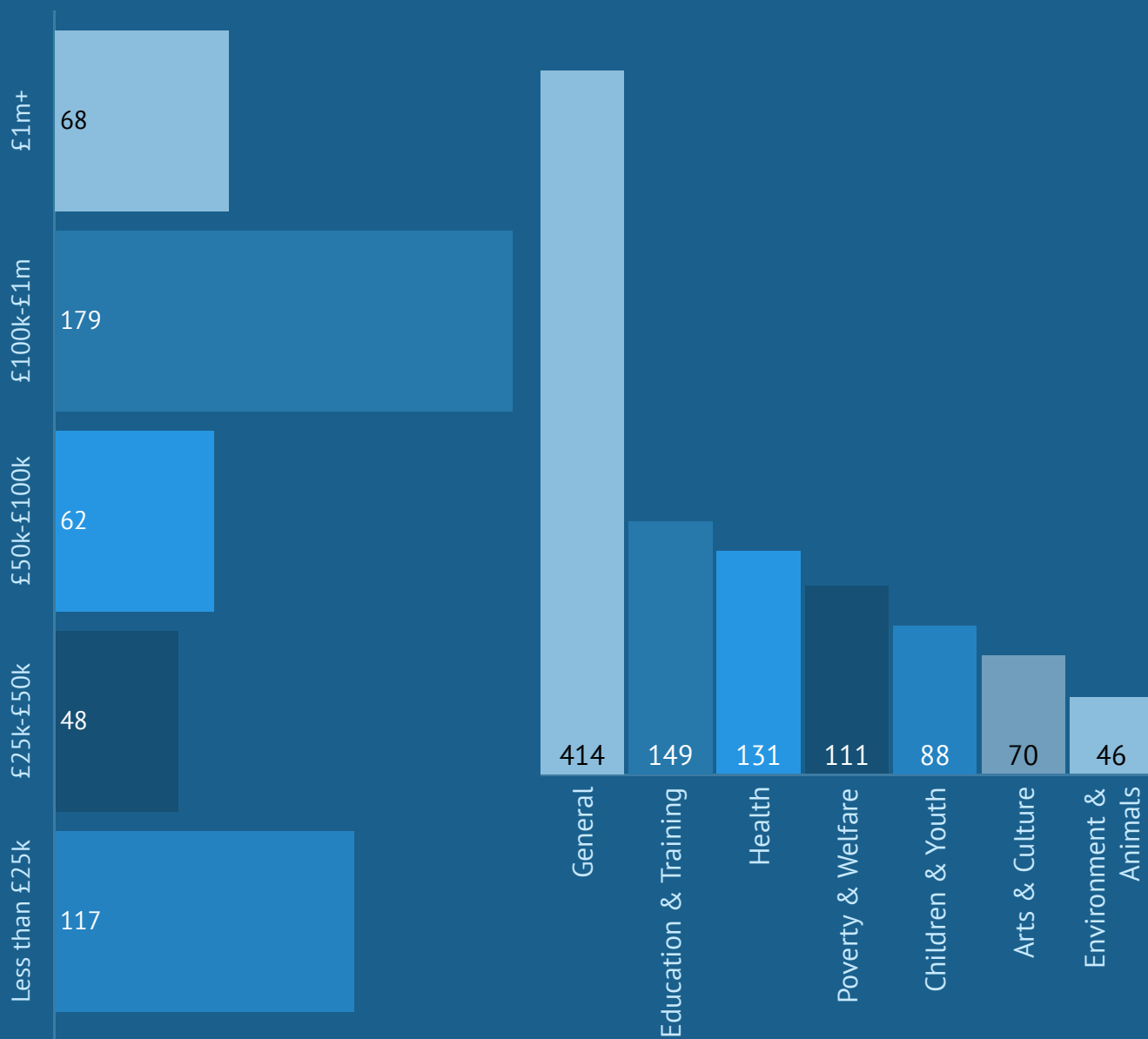


Foundations of Wealth

Another feature of the NTU archive database are those grant-makers Factory classifies as 'Foundations of Wealth'. These are private grant-makers set up and controlled by philanthropic individuals whose wealth is estimated to be in excess of £10m. Of the 3,900 grant-makers on the database, **625 have been classified as Foundations of Wealth**. Whilst the number of these foundations registered each year had been on an upward trend in recent years, 2021 saw a noticeable drop-off, which we can only presume was due to the Covid-19 Pandemic.



A number of these Foundations of Wealth have subsequently been removed from the register or are not currently active, and many are still newly registered. Of those that are active and there is financial information available for, **over 50 per cent have a total expenditure in excess of £100,000, and 68 are giving out more than £1m in grants each year.**

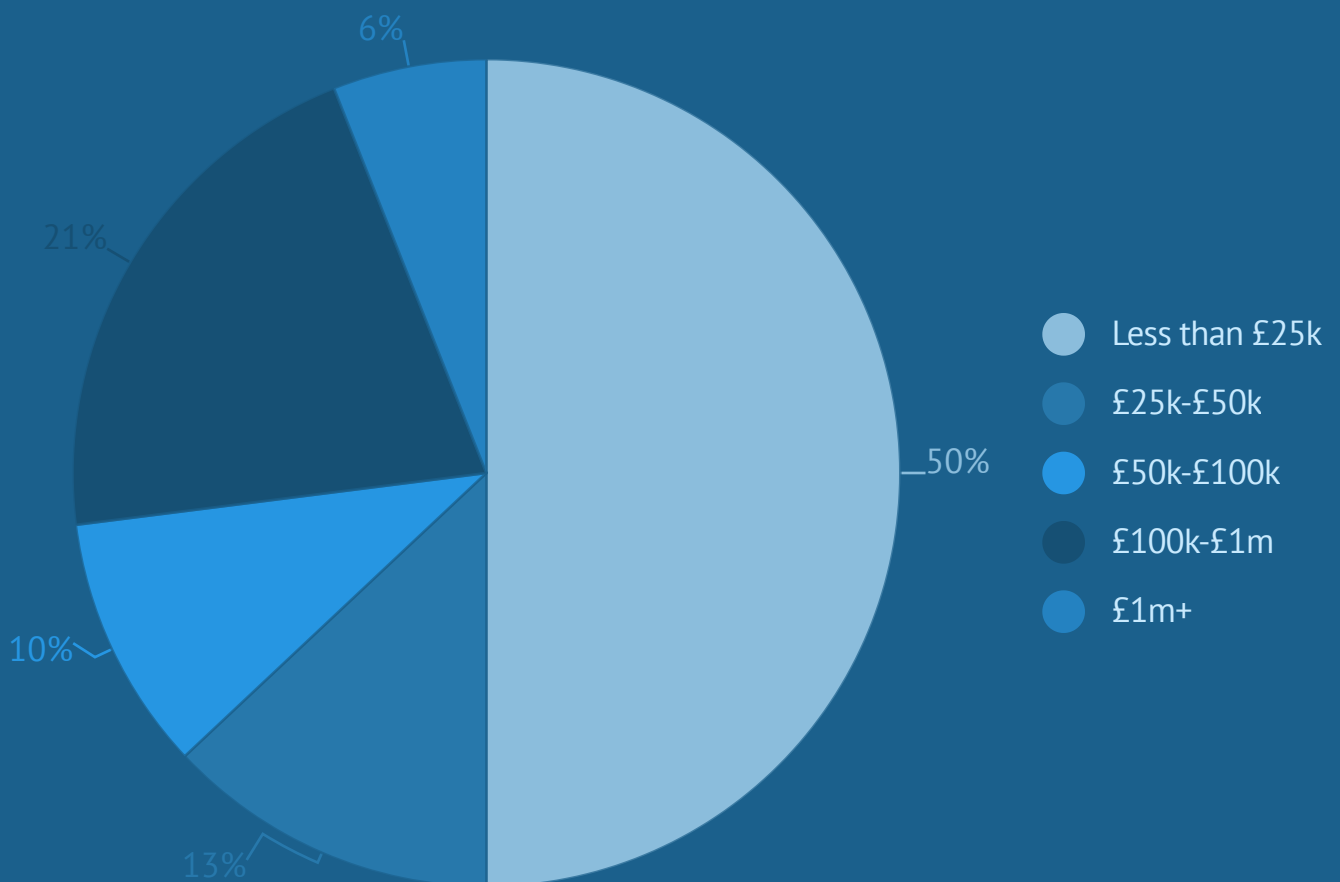


As with the wider database, the majority of these Foundations of Wealth are registered with general charitable objects, with the next most commonly supported areas being **education, health and welfare**. However philanthropists are setting up giving vehicles to direct their charitable donations to a wide range of causes they are interested in supporting.

New Grant-Makers

The original and primary purpose of Factory's NTU is to provide organisations with information on newly-registered grant-makers, giving them the opportunity to start building relationships with philanthropists and funders before they appear elsewhere. Therefore it is useful to see what level these new grant-makers give at within the first couple of years of operation.

Looking at those funders who have submitted their first set of accounts to the Charity Commission within the last couple of years, half are relatively modest with an expenditure of under £25,000. However **over 25 per cent have an expenditure in excess of £100,000 in their first year of operation, and one in 20 have an expenditure or more than £1m.**



New Trust Update 2021

In 2021 there were 228 new grant-makers featured in NTU. This is fewer than 2020 (241) but in keeping with the preceding years. Again, the reduction may in part be due to the Covid-19 Pandemic.

The statistics in terms of areas of activity are broadly in keeping with the overall trends we see above with 43% having general charitable objects, and the next most commonly supported areas being **Poverty & Welfare (32%), Education & Training (24%) and Health (21%)**.

2021 saw **31 new Foundations of Wealth** grant-makers founded by wealthy philanthropists, with a **combined estimated wealth of over £11.7bn**.

Of particular note are:

The Nilo Foundation

Which has a stated interest in education, founded by French businessman Bertrand Perrodo whose family are listed by Forbes as having a wealth of \$4.5bn.

The S P Lohia Foundation

Founded with general charitable objects by Sri Prakash Lohia, Chairman of petrochemicals and textiles company Indorama and listed in the Sunday Times Rich List 2021 with an estimated wealth of £3.39bn.

The Ugгла Foundation

Founded by Lance Ugгла, Chairman and Chief Executive Officer of financial data firm IHS Markit whose wealth is estimated at £650m. His foundation was established with an initial gift of £17.85m to support education, health and the provision of access to the arts.

There were also **36 corporate foundations** featured in NTU in 2021. These include:

Fondation Chanel

The UK version of this French foundation whose mission is to support gender equality and the advancement of women and adolescent girls as agents of change in society.

The Poundland Foundation

Supporting both national and community organisations across the UK.

The Valesco Foundation

Supporting initiatives and organisations both in the UK and globally, including ActionAid, Barnardo's, Unicef and Cancer Research UK.

As is shown above, over a quarter of the trusts and foundations featured in New Trust Update go on to have an expenditure in excess of £100,000 in their first year of operation.

A subscription to Factory's monthly NTU report is a useful tool to find out about these grant-makers as soon as they are registered, and gives subscribers a head start in building relationships with new philanthropists. The online archive database is also growing every month, with around 20 new trusts added in each issue of NTU.

To find out more about Factory's New Trust Update please contact Will Whitefield: will@factory.com