

# INSIGHTS INTO AUSTRALIAN PHILANTHROPY

From Perpetual's 2019  
IMPACT Philanthropy Application Program

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## FROM PERPETUAL'S 2019 IMPACT PHILANTHROPY APPLICATION PROGRAM

Each year, Perpetual invites not-for-profit (NFP) organisations to apply for funding through our IMPACT Philanthropy Application Program (IPAP). Around one quarter of the \$100 million we distributed in the 2019 financial year, on behalf of over 1,000 charitable trusts and endowments, was allocated through this process.

Perpetual has been connecting NFPs and philanthropists since 1886. Due to the scale and longevity of our involvement, we are able to provide insights into Australian philanthropy to benefit NFPs, philanthropists, policy makers and anyone interested in creating social impact.

We share insights around how and where IPAP funds were directed in the 2019 financial year, in this document.



**\$23.8M**  
of **\$100M**

Amount Perpetual distributed via IPAP versus the total Perpetual distributed on behalf of our clients in 2019

### IMPACT PHILANTHROPY 2019



**1,437**  
applications,  
325 funded (22.6%)  
**UP 3%**



**\$23.8M**  
in funding distributed  
**UP 17%**

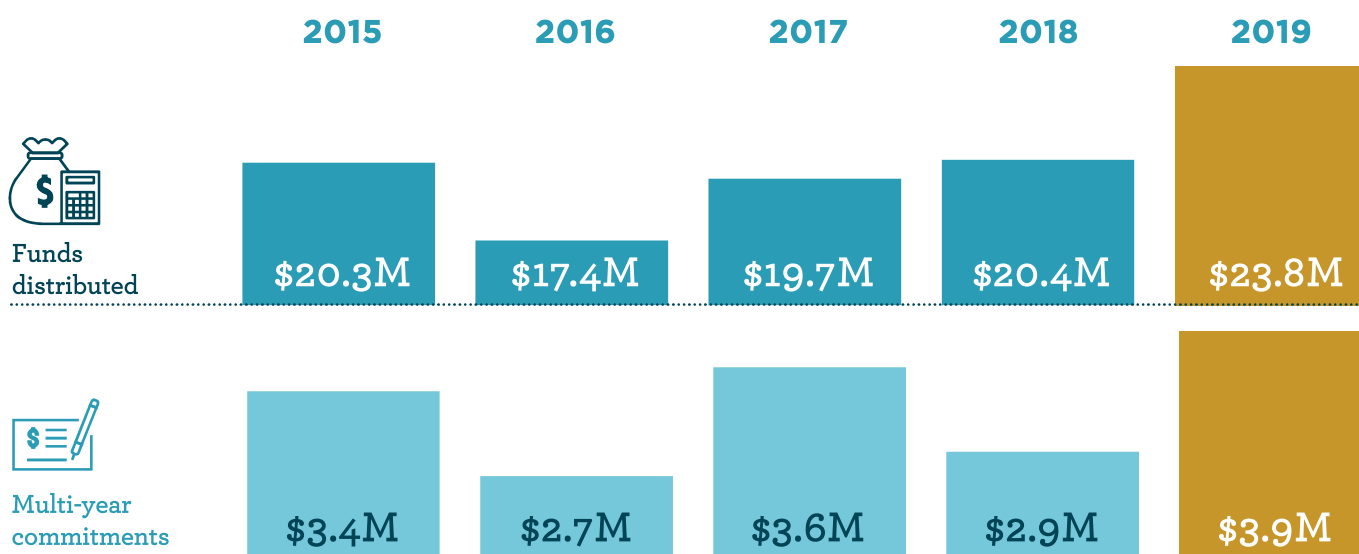


**\$73.67K**  
Average funded amount  
**UP 5%**



**43%**  
Applications graded as 'excellent'  
**UP 6%**

### FUNDS DISTRIBUTED 5 YEAR TREND



While the total funds distributed via IPAP have increased each year, there's still not enough to go around as the sector need outweighs the funds available.



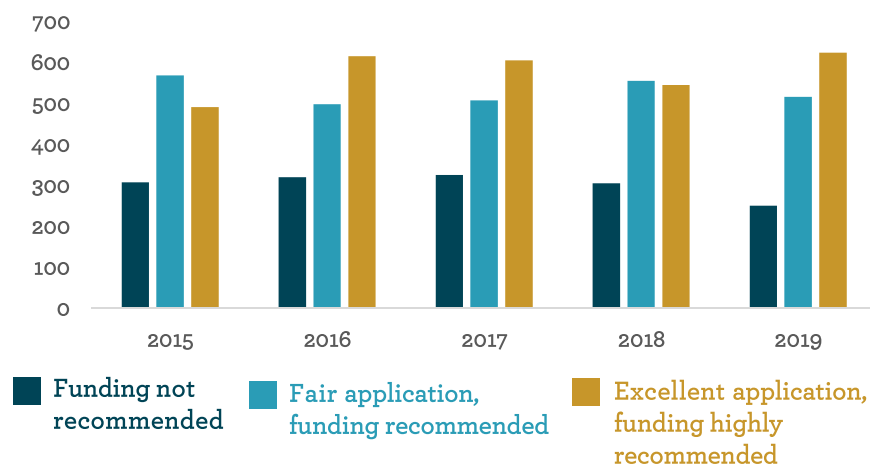
**>20%**

of applications ranked as 'excellent' missed out on funding in 2019.

## APPLICATION RANKING 5 YEAR TREND

Perpetual scores each application from 1-5 (5 highest and 1 lowest). We prioritise support for applications ranked 4 & 5 (excellent).

We are seeing a gradual increase in higher ranking applications due to the transparency of our assessment process, application training for NFPs and facilitated collaboration between like-minded organisations. The average score in 2019 was 3.3, up from 3.16 in 2018.



## IPAP ASSESSMENT PROCESS

We assess applications on the following criteria:



### STRATEGY

Organisational mission and effectiveness



### LEADERSHIP

Awareness of the external environment



### OUTCOMES

Long term impact of funding



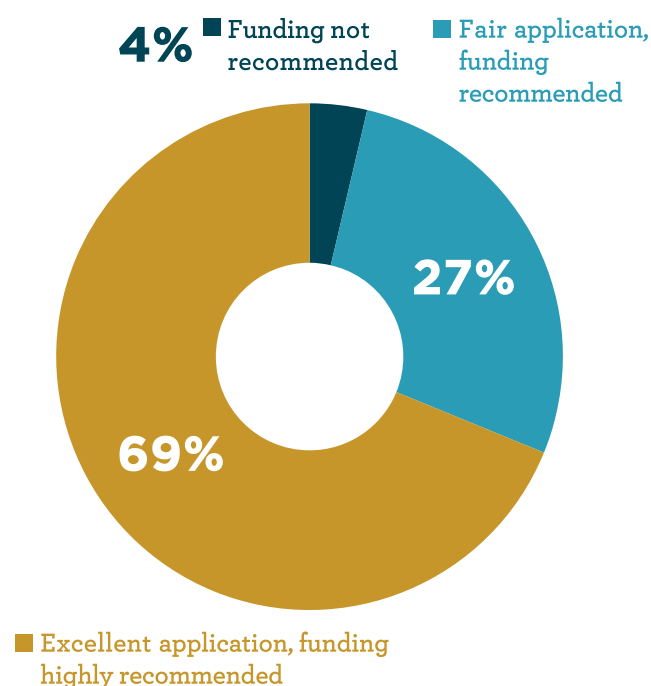
### CAPABILITY

Achieves its objectives with the resources available to it

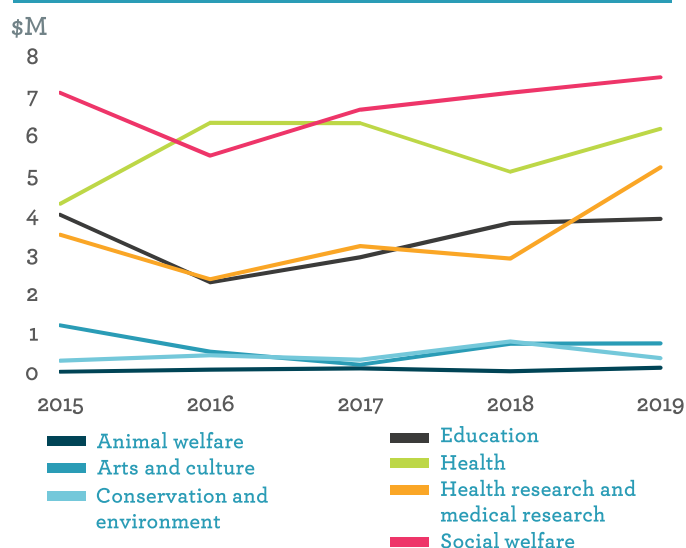


Our clients make the ultimate decision on which applications are funded and generally set parameters around the sectors, causes and geographical locations that they wish to support and the social, cultural or environmental impact they wish to contribute to. Where Perpetual has been appointed sole trustee, we make a decision based on our clients' documented philanthropic intent, matched with high scoring applications that address those wishes.

## DISTRIBUTION BY APPLICATION RANKING



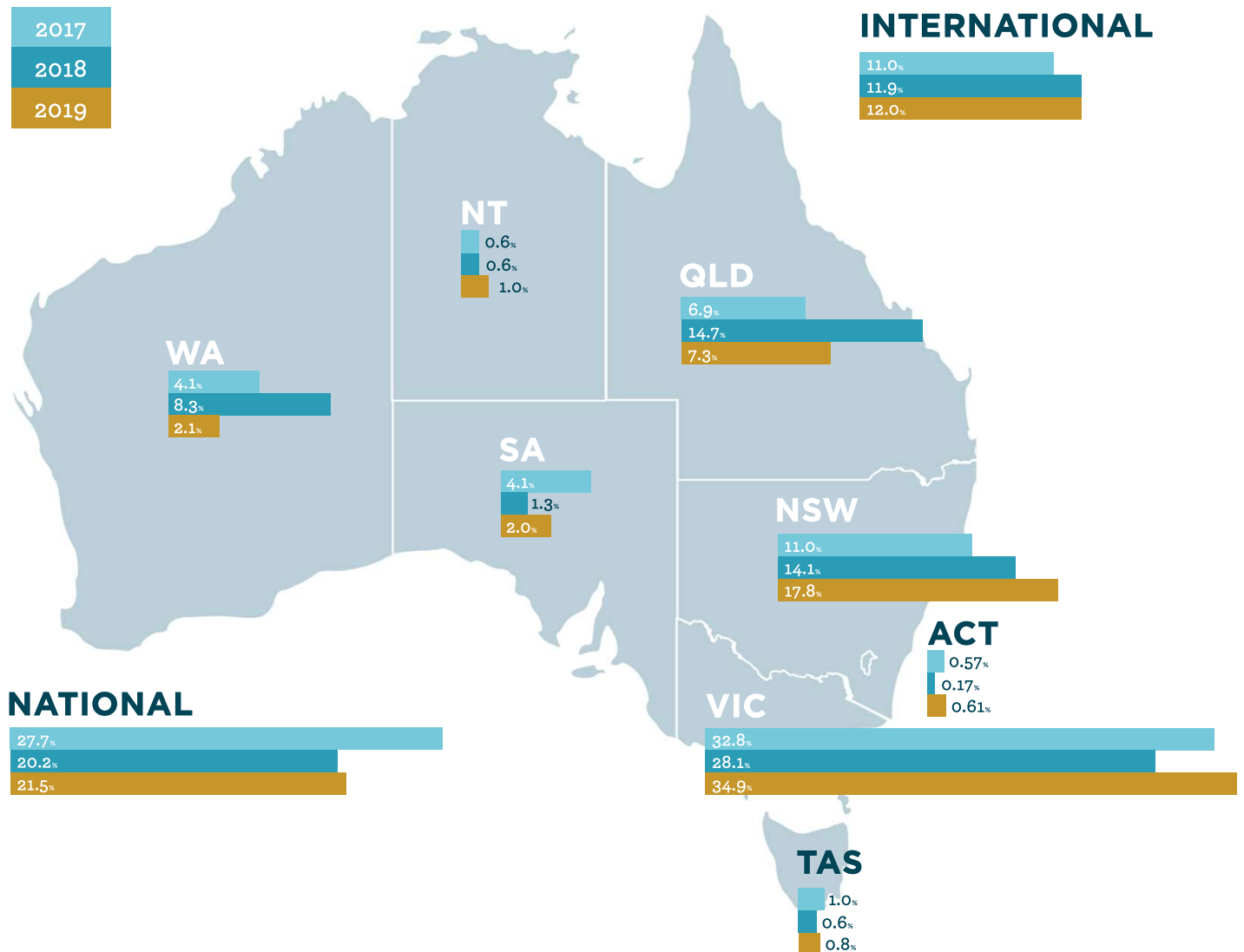
## DISTRIBUTION BY SECTOR



The distribution of IPAP funds reflects, in general, broader trends in giving by philanthropy in Australia. Trends in giving show that many philanthropists tend to start their philanthropic journey by donating to causes that have directly impacted them or people they care for.

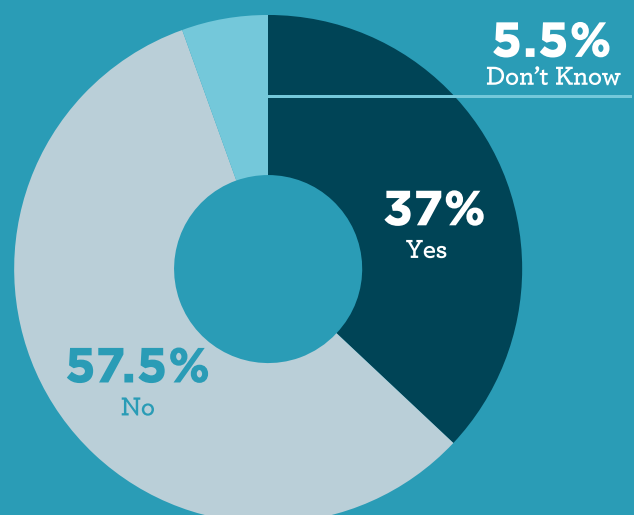
## DISTRIBUTION BY GEOGRAPHIC AREA

Victoria's overrepresentation is due to its strong philanthropic tradition, historic testamentary trust establishment and the location of several large philanthropic trusts which Perpetual manages.



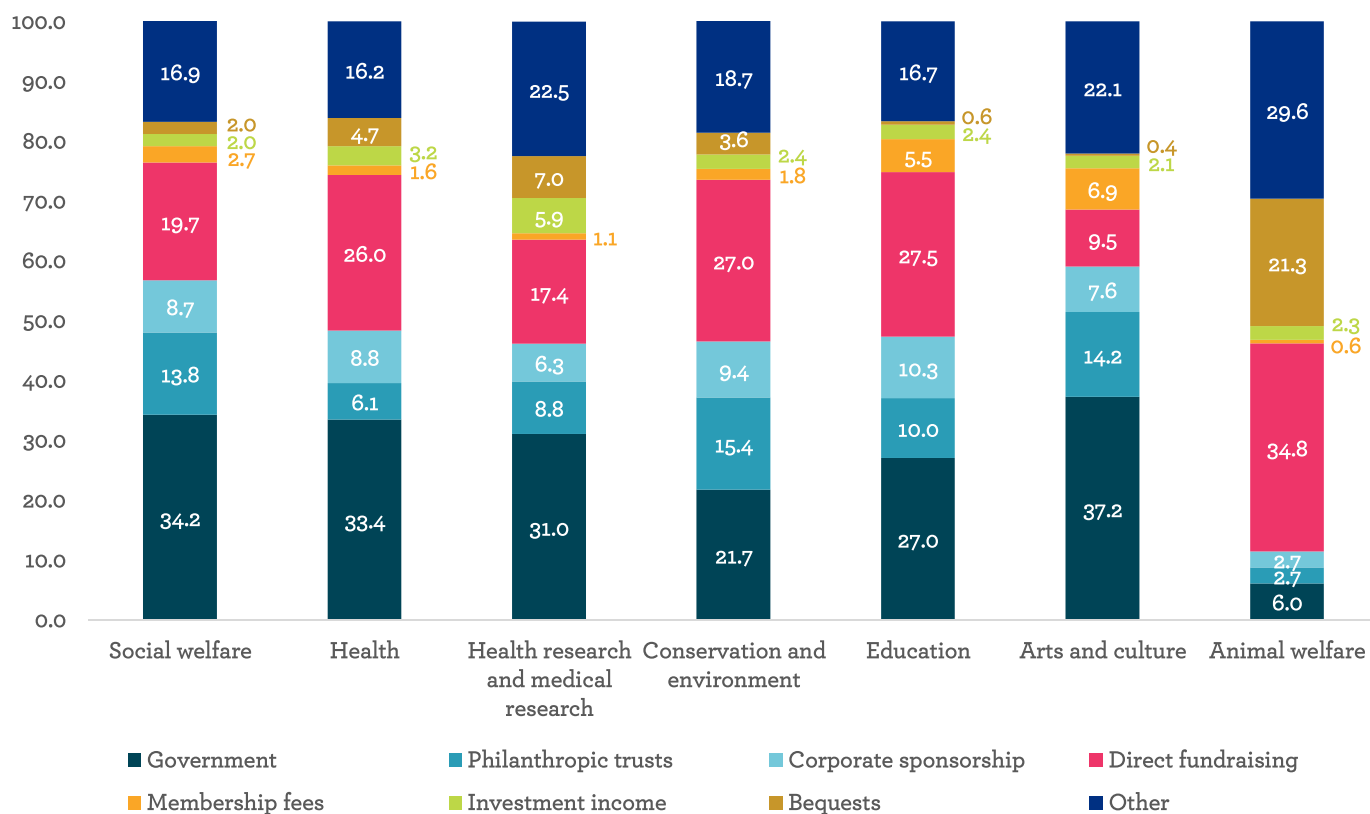
## DOES THE PROJECT ADDRESS GENDER INEQUITY?

Despite increased focus in recent years, the persistent inequity between genders continues. Perpetual is a strong believer in best practice in giving and research has shown that projects that apply a gender lens in their design provide better outcomes for community. We now report on the proportion of projects funded which seek to address this, having introduced gender lens questions into our IMPACT Philanthropy Application Program in 2018.



## REVENUE BREAKDOWN BY SECTOR (%)

NFPs' revenue mix has a significant influence on their strategy. For example those with predictable government support are more likely to invest for long-term success and impact. Many NFPs have significant scope to increase the revenue they generate from bequests, particularly as we are at the start of a major inter-generational wealth transfer. The 'Other' category is mixed, however for animal welfare NFPs it's predominantly through sale of goods.



## WANT TO KNOW MORE?

### FOR PHILANTHROPISTS:

Perpetual provides philanthropic advisory services to individuals and families looking to engage in best practice giving. We also assist trusted advisors looking to support their philanthropic clients.

### FOR NFPs:

Find out more about Perpetual's IMPACT Philanthropy Application Program on the Perpetual website – [www.perpetual.com.au/impactfunding](http://www.perpetual.com.au/impactfunding) – including resources to help with the application process.

Speak with one of our NFP and Philanthropy specialists to find out more.

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