

INFLUENCE
100
LIST



MemberWise
LARGEST UK
MEMBERSHIP BODIES

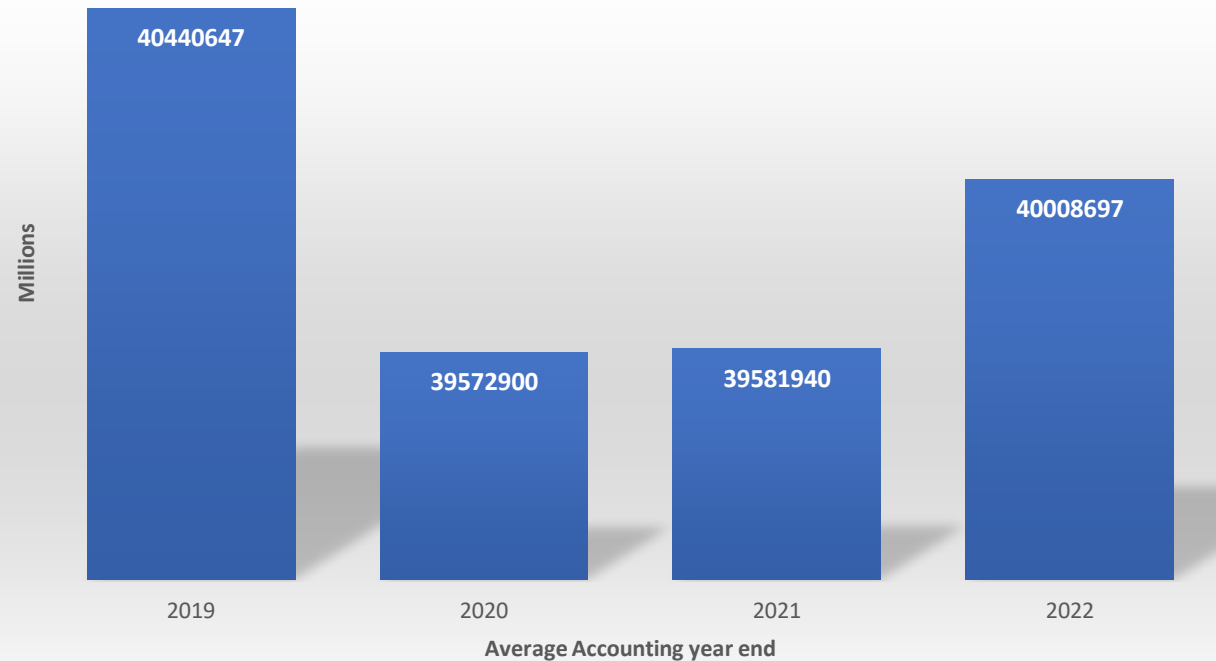
2023

Influence 100 - Financial Benchmarking Report 2023/24

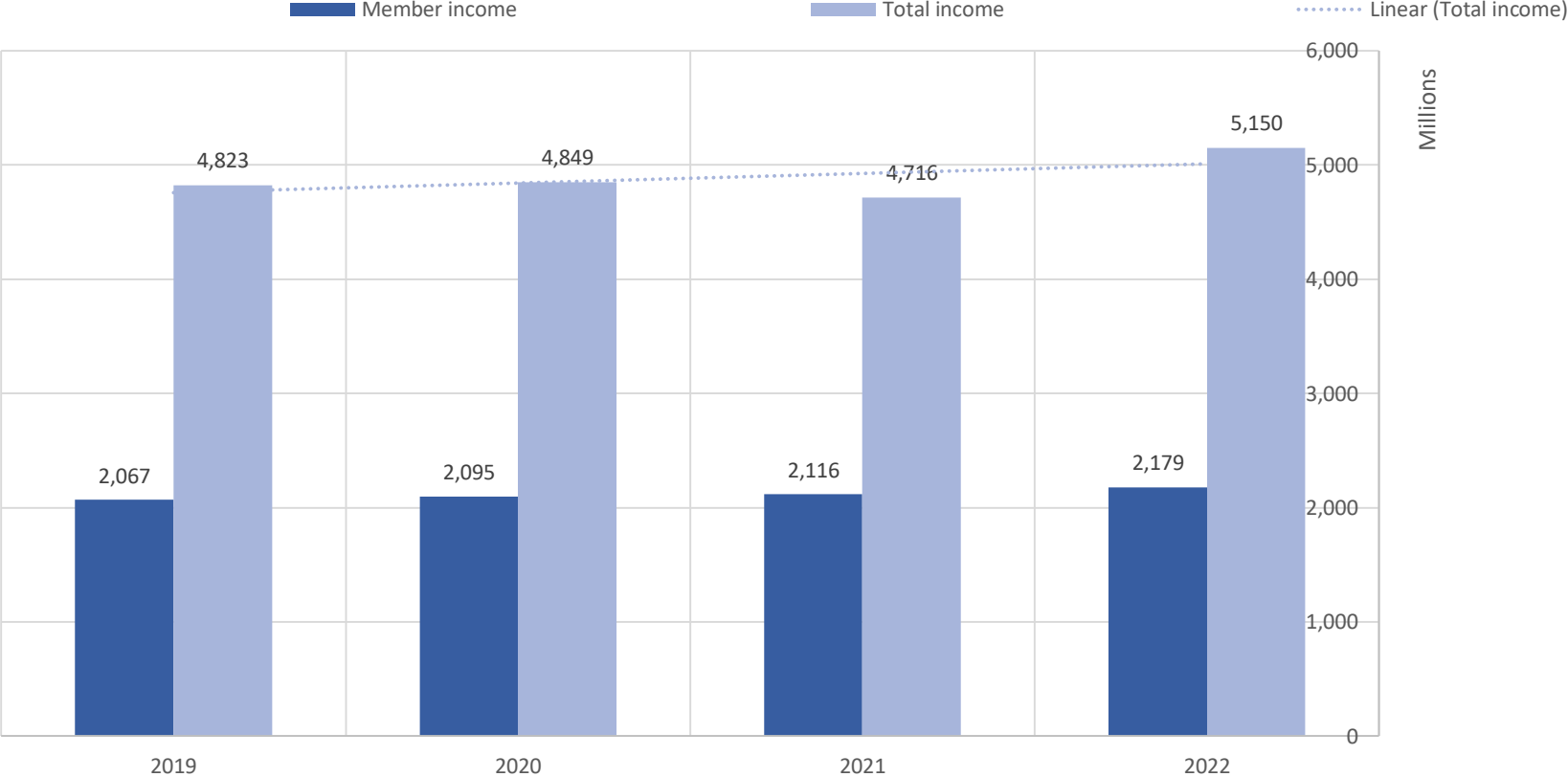
Summary of key stats

- Covers 40 million members, average members per entity 412K (only 462K extra members)
- £5.15BN total income (£434M increase)
- £4.9BN of expenditure (£429M increase)
- £1.97BN of which is staff cost (£55M increase)
- £13BN of net assets on the balance sheet (£1BN increase)

Membership numbers



Income



Trend indicates that the membership fee income per member has increased slightly

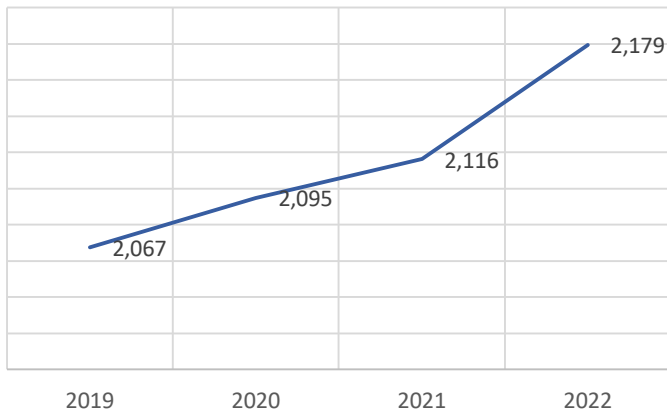
Other income increased more so overall income is now £129 per member

Average membership fee has increased from £53 to £54

Median figure has increased from £50 to £58

Overall income increased from £119 to £129

— Member income



Trade unions and donation based charities have the most members by number

Trade associations and trade unions raise at least 50% of their income from memberships

33 organisations had a fall in membership income year on year compared with last year with 16 have fallen income for 2 years on the trot

1 no change

63 had growth in membership but 25 of these were at only 1 or 2% and 22 at over 10%

Professional bodies and donation based charities are most represented in the list – 47 in total

TREND

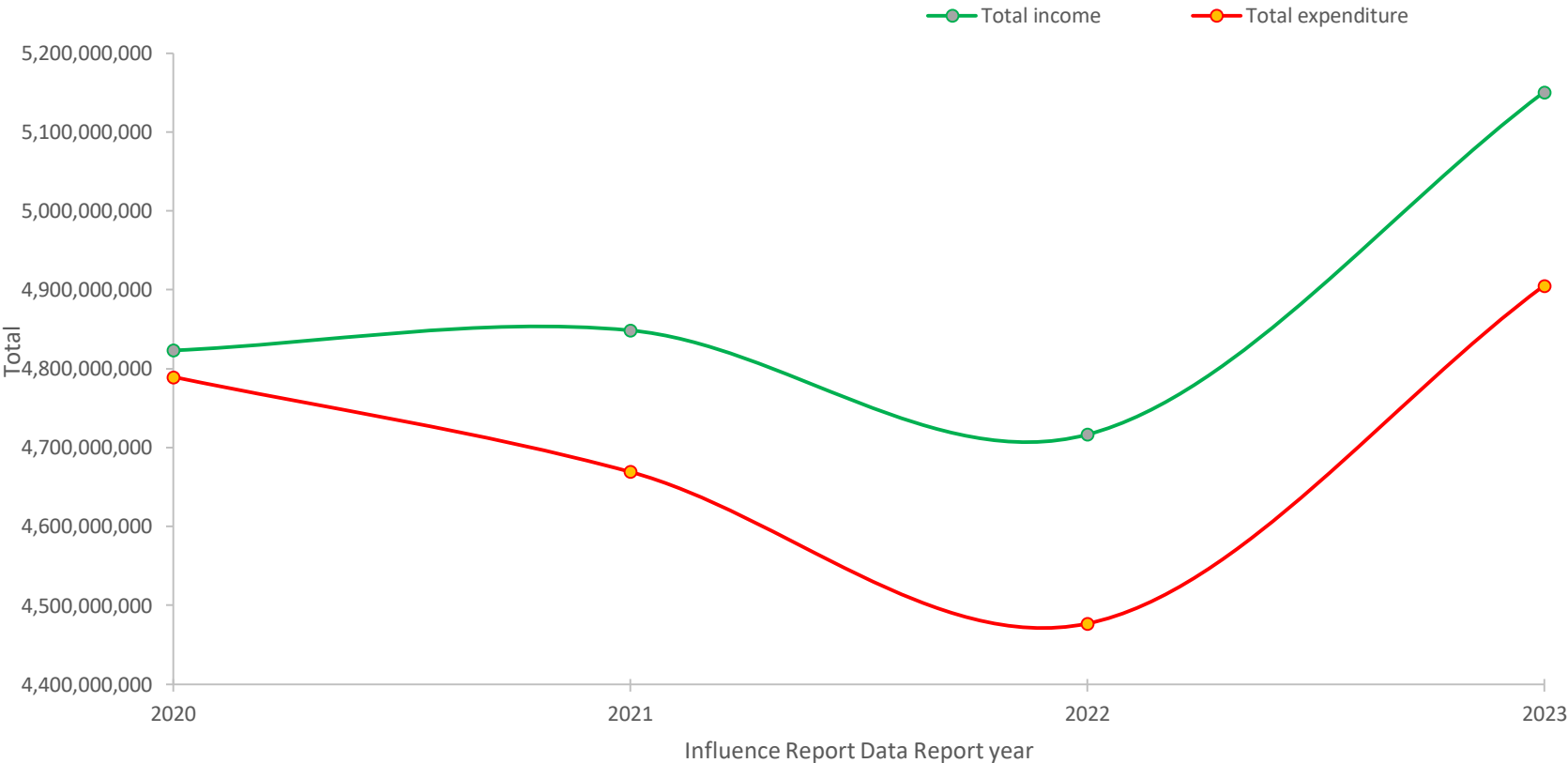
Membership numbers are up as is income but relatively static

Income

Only 24 organisations have 25% or less income arising from membership income (up from 21 last year)

- Influence 100 Average Annual Membership Fee: £54
- Most membership is less than £200 per member, with below £100 per member having highest concentration
- **28** organisations derived **at least 70%** of their income from membership fees (down from 31)

Income versus expenditure



Income versus expenditure

Income diversification is a necessity to find the additional £69 per member of expenditure (prior year £60)

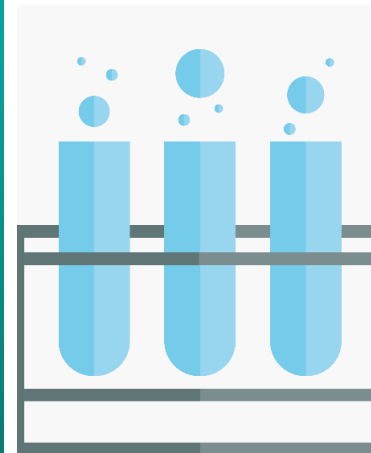
Average member income per member is £54 (£53 year before)

Overall amount incurred on staffing in these organisations represents 40% of the total costs (prior year 43%)

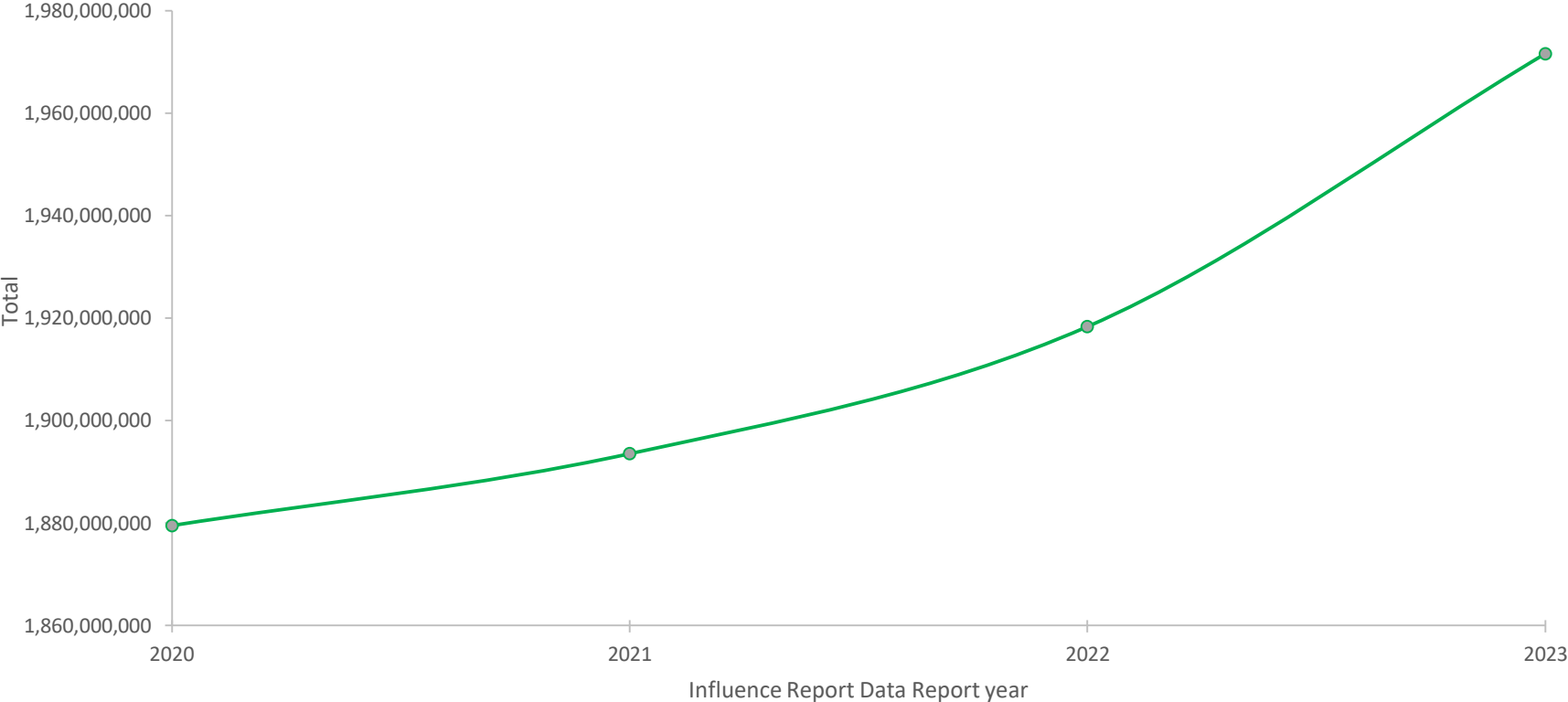
Curious statistic that where more income is earned overall per member then the more is incurred in costs per member – organisations are spending all income earned each year on average – trend remains.....

However since pandemic the cost savings have been maintained so expenditure is tracking below income overall at a much wider gap

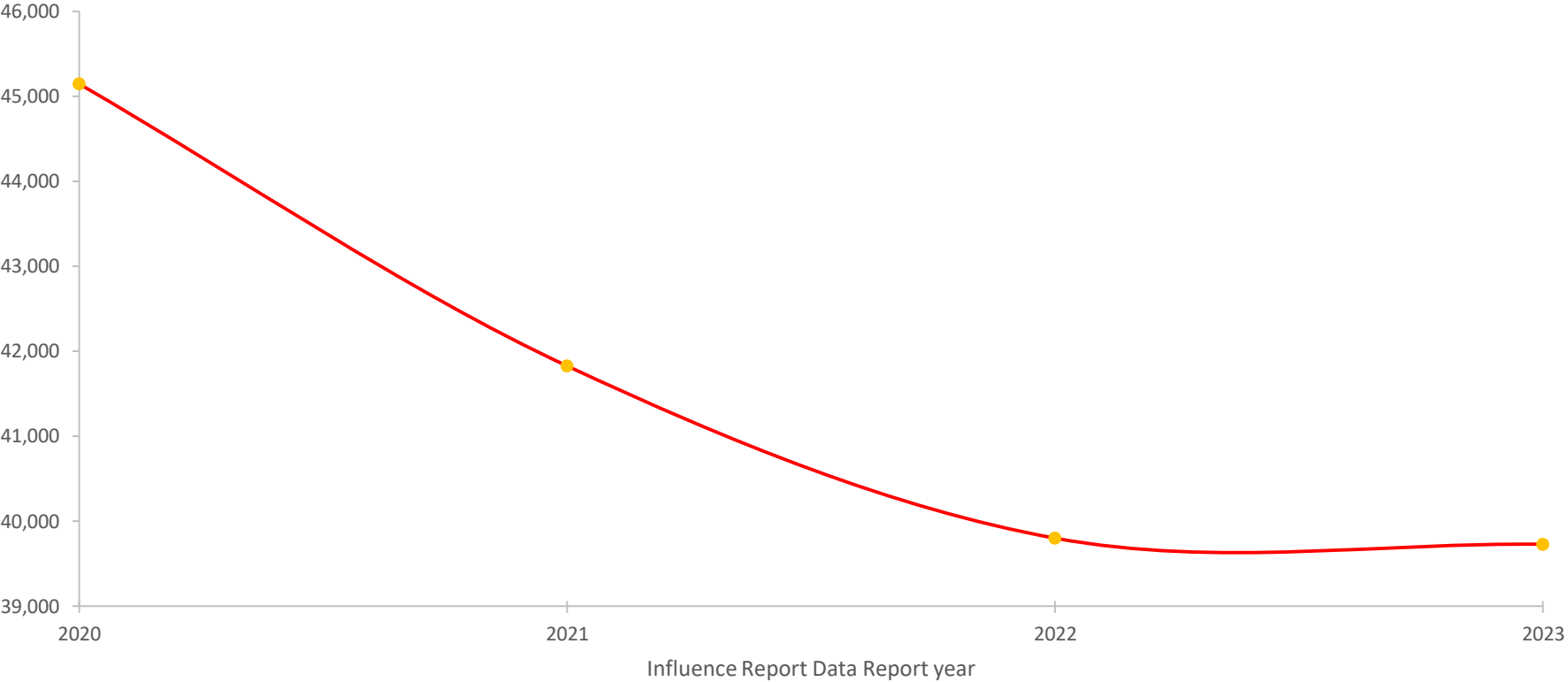
Average total cost of running organisation per member is £123 (up from £113)



Staff costs



Staff numbers



Income versus expenditure

- Surplus of £241M versus £241M surplus prior year
- Expenditure on the rise as predicted last year
- Trend in staff numbers decreasing versus staff costs increasing continuing
- Pay awards, promotions, job roles changes from automation and recruitment issues
- Overall expenditure has increased by 10% - whereas staff costs have increased by 3% on average

37 organisations made a loss in the year

Up from 32 last year

18 out of 44 Dec 22/Mar 23 year ends made a loss



A teal-colored rectangular box containing white text, positioned on the left side of the slide.

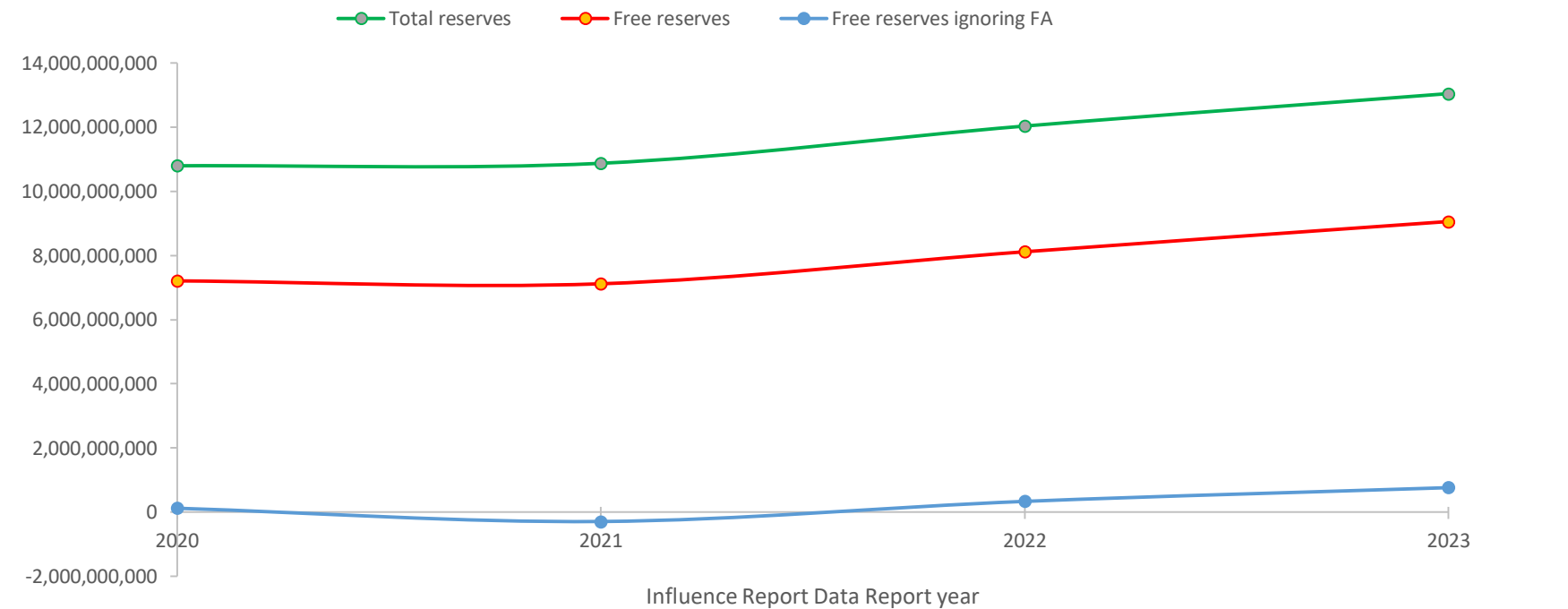
Accelerated growth in membership needs to be the way that organisations outpace the upward trend in expenditure that now is incurring in the sector

Investment in 'member value'

Increase in fixed assets in the year of £505m, which includes intangible assets that include business critical systems (e.g. Membership Management Systems, Websites, Learning Management Systems, Online Community Platforms, Mobile Apps and other types of back-office)

- Huge drive in 'value' and investment in member communications, but we are yet to see that this is feeding through into membership growth
- Best practice suggests organisations should invest up to 10% in tech (internal infrastructure/external tools like websites/online communities etc.) to stay ahead
- Member retention and relationship management growth remains key to drive membership price increases and increase other income streams

Reserves



£13BN reserves
includes £4BN
restricted
funds/endowment
funds so – £8BN of
free reserves

Reserves

Average total assets of the organisation per member equates to £326 (up from £208)

Falls to £119 per member if fixed assets removed

- Based on average income (£54 per member) only 2 times members annual income being held in reserves ignoring FA
- Equates to less than 12 months of total expenditure per member
- Many organisations are very close to zero. 9 organisations have no such 'free' reserves as their fixed assets are more than the total assets (12 last year)
- Few organisations are fortunate enough to have substantial reserves
- Very 'fixed asset' heavy – not readily realisable in cash

Half of free reserves
(£4.3BN) held in 18
consumer bodies

If remove fixed assets
then free reserves are
£768M reserves or £19
per member



EDI

47 organisations
disclosed their
policy

36 charities/11
other

Gender pay gap

26 disclosed

Governance review

37 organisations
reported on process

37 reported on
governance
effectiveness being
reviewed against a
governance code

Governance and Sustainability

ESG/EDI/Net zero

All areas where members and public are
looking for disclosures

Continued prominence in many more —
reports and expected to increase further

With £4.5BN of investments (34% of
reserves)

Consider ethical and ESG investment
policy –will cover next year

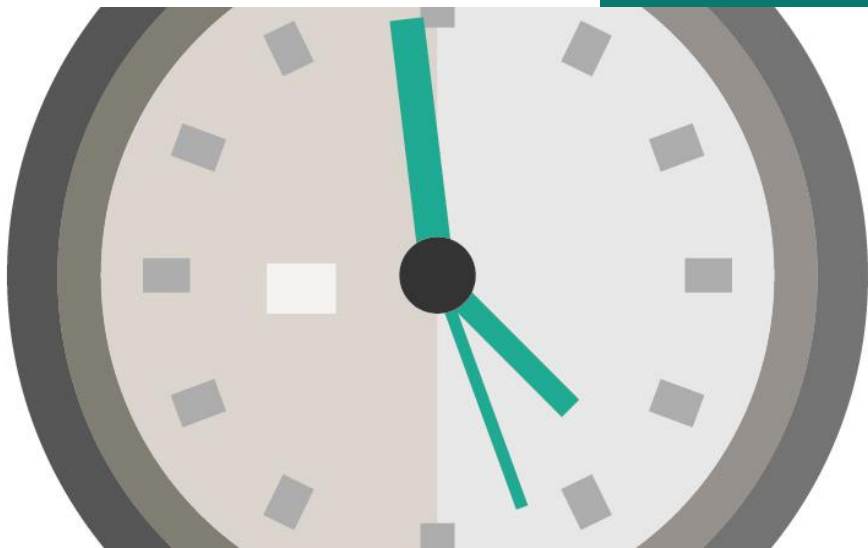
42 (up from 37) reported carbon
footprint with 16 stating net zero plan

Conclusions

Explaining how reserves are tied into future plans and strategy crucial to explain resilience and sustainability

Costs -utility and inflationary pressures and staff costs continuing to increase as numbers reduce

Investment in accelerated growth and member value



Being closely connected to members will keep them loyal and supportive – and ride out price increases



Contact us



Helena Wilkinson
Engagement Partner

020 7065 2660

07921 353540

helena.wilkinson@pricebailey.co.uk