



2025

UK Donor-Advised
Fund Report

Introduction

NATIONAL PHILANTHROPIC TRUST UK is pleased to publish our tenth annual UK Donor-Advised Fund Report. A donor-advised fund (DAF) is a philanthropic fund established under an umbrella charity who administers the DAF account on behalf of the donor. A donor makes an irrevocable charitable contribution, receives immediate tax relief and then recommends charitable grants from the DAF account over time. The donor also recommends how the charitable assets are invested before being granted out.

Our 2025 UK Donor-Advised Fund Report examines data from 2020 to 2024 from UK charities that offer donor-advised funds. The findings confirm that donor-advised funds continue to play an important role in UK philanthropy. DAF donors respond quickly and generously in the face of pressing challenges and serve an important role in sustained giving.

In 2024:

- Grants from donor-advised funds to other charities were £787.7 million, an increase of 22.1% per cent over the prior year.
- Contributions to donor-advised funds were £864.5 million, a 1.4% per cent increase, compared with prior year's contributions.
- Charitable assets in donor-advised funds total £3.1 billion—an increase of 10.3 per cent over the prior year.
- The aggregate grant payout rate from donor-advised funds was 28.3 per cent in 2024.

Donors and their advisors increasingly use donor-advised funds as the modern alternative to establishing a grantmaking charitable trust or foundation. Since every pound in donor-advised fund accounts is destined for charitable organisations, the increased use of donor-advised funds is good news for British charities and charities around the world that receive grants from DAFs.




JOHN CANADY
CEO, NPT UK



About This Report

A donor-advised fund (DAF) is a giving vehicle that enables donors to support charitable organisations. DAFs can be used as an alternative to a grantmaking charitable trust or foundation. National Philanthropic Trust UK provides this report as a public service to those who are interested in the impact of this charitable giving vehicle.



Glossary of Terms

CHARITABLE ASSETS

The amount charitable sponsors hold and manage in donor-advised fund accounts. Some charitable sponsors manage other types of funds as well. This report is limited to assets in donor-advised fund accounts.

CHARITABLE ORGANISATION

A charity. In the context of this report, a charitable organisation can be either a charitable sponsor of donor-advised funds or the recipient of a donor-advised fund grant. A UK charitable organisation is registered at the Charity Commission and a foreign charitable organisation is eligible to receive grants from the UK according to HMRC and Charity Commission regulations. Donations to a charitable organisation are eligible for tax relief. A charitable organisation serves broad public purposes in educational, religious, scientific, and artistic fields, among others, as well as the relief of poverty and other public benefit activities.

CHARITABLE SPONSOR

A charitable organisation that manages donor-advised fund accounts. Charitable sponsors provide services to ensure that potential grant recipients are qualified charitable organisations and administer donor-advised fund accounts to ensure compliance with all regulations. Also called sponsoring charity, fund sponsor or umbrella charity.

CONTRIBUTION

Amount a donor donates to a donor-advised fund account when establishing the fund or adding money to it.

DONOR-ADVISED FUND

A philanthropic giving vehicle administered by a charitable sponsor. A donor-advised fund allows donors to establish and fund the account by making irrevocable, tax-relieved contributions to the charitable sponsor. Assets in the account are invested based on the donors' recommendations. Donors then recommend grants from those funds to other qualified charitable organisations.

GRANT

A transfer of assets from a donor-advised fund account to a qualified charitable recipient.



Market Overview

In 2024, total estimated charitable giving in the United Kingdom was £15.4 billion, according to the *CAF UK Giving Report*. Contributions to DAFs totalled £864.5 million in 2024.

In this report, we analyse giving to and from DAFs for financial year 2024. Charities operate on different financial year periods, which means the reporting period began as early as May 1, 2023 for some charities and ended as late as December 31, 2024 for others.

The past year has been characterised by ongoing armed conflict, heightened geopolitical risk, and continued economic adjustments following several years of inflationary pressure. In the UK, the cost of living crisis moderated slightly but left a lasting impact on households and charities. Charities also experienced sustained demand for their services. Against this backdrop, donors continued to demonstrate strong commitment to charitable causes, responding with compassion and generosity.

In 2024, the UK DAF market continued to grow across all key metrics – grants, contributions and AUM. Grants increased in 2024 reflecting donors' generosity in the face of growing needs. Grants from donor-advised funds help to provide sustained support over the longer term.

Grants total £787 million

Grants from donor-advised funds to charitable organisations totalled £787.7 million, an *increase of 22.1 per cent*. The compound annual growth rate from 2020 to 2024 was 16.0 per cent.

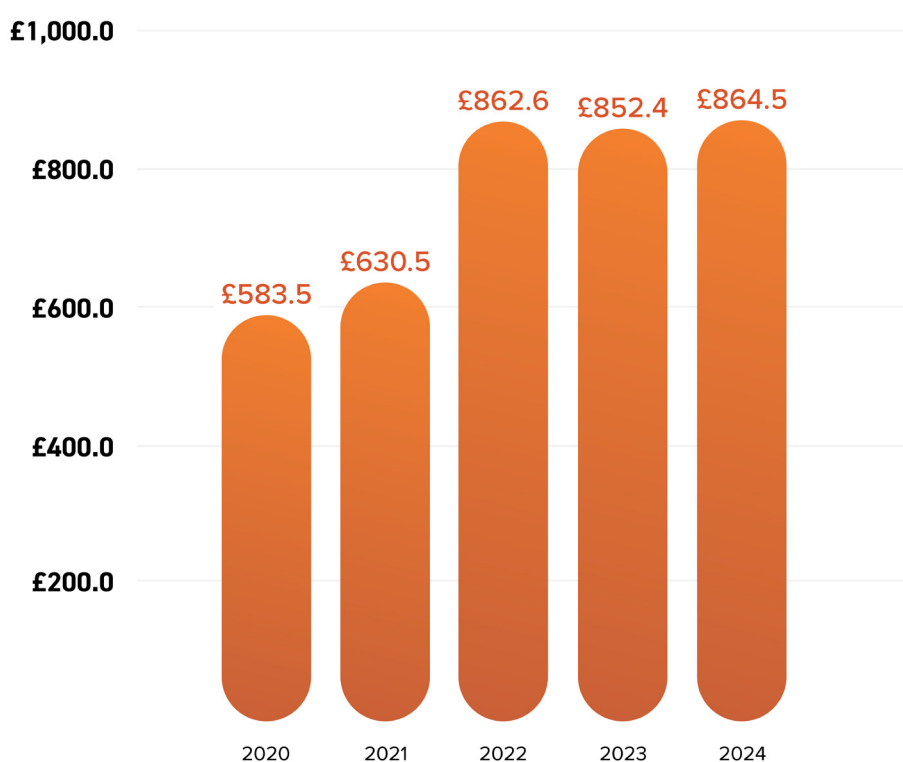
Figure 1 (in millions)



Contributions increase slightly

Contributions to donor-advised funds in 2024 totalled £864.5 million, an *increase of 1.4 per cent*. The compound annual growth rate was 10.3% per cent for contributions from 2020 to 2024.

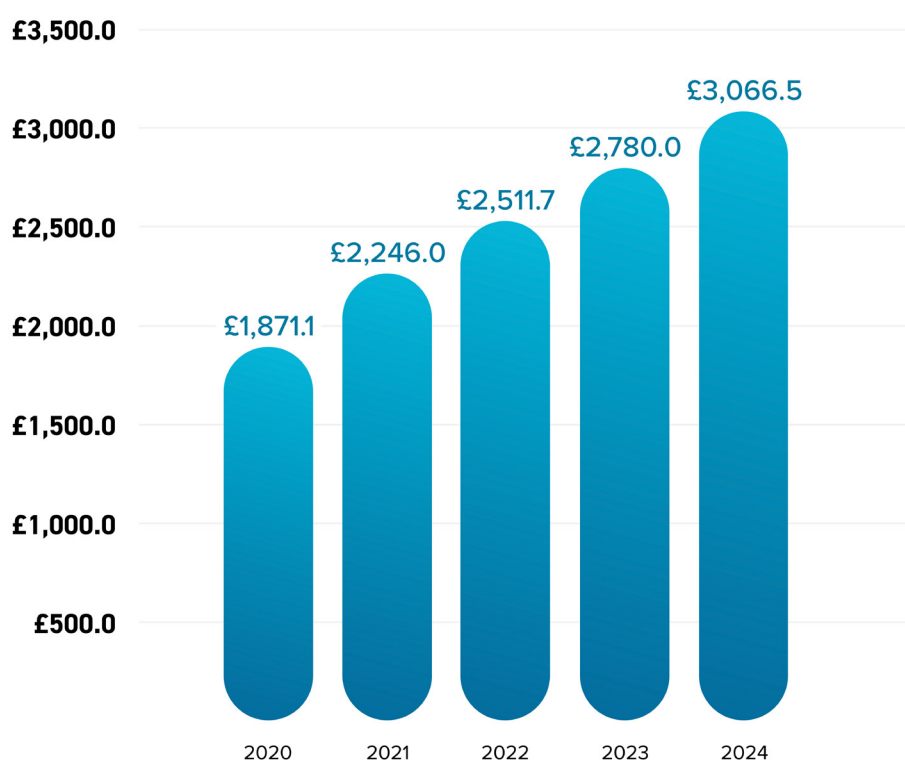
Figure 2 (in millions)



Charitable assets surpassed £3 billion

Charitable assets under management in all donor-advised funds totalled £3.1 billion in 2024, an *all-time high*. This is a 10.3 per cent growth rate compared to 2023. The compound annual growth rate for charitable assets from 2020 through 2024 was 13.2 per cent. All charitable assets in DAFs must be used for charitable purposes.

Figure 3 (in millions)



Looking Forward

We anticipate continued growth in donor-advised funds in the UK as more individuals and families seek flexible, strategic and administratively efficient ways to manage their philanthropy. DAFs are a convenient alternative to setting up a grantmaking charity, charitable trust or foundation. Awareness of DAFs amongst wealth managers, lawyers, and accountants has also continued to grow, which we expect will further drive adoption in the coming years.

Donors most often contribute cash. They also increasingly contribute publicly listed shares and other appreciated assets, benefiting from tax relief on capital gains tax (CGT) as well as income tax relief. As more donors undertake comprehensive wealth and succession planning, we expect this segment of DAF contributions to expand steadily.

Donors are increasingly attentive to compliance and risk management. We have seen a rise in the use of donor-advised funds to ensure regulatory compliance. DAFs offer an efficient way to ensure that grantmaking and administration meet current regulatory standards.

Overall, we believe that donor-advised funds will continue to grow as effective and flexible giving vehicles for donors of all ages, geographies, and philanthropic objectives. Their ability to support both immediate responses to urgent needs and longer-term, strategic giving makes DAFs a central tool for modern philanthropy in the UK.





Methodology

ORGANISATIONS

This report examined ten charities registered at the Charity Commission of England and Wales that sponsor donor-advised funds.

PRIMARY DATA SOURCES

The primary source for each charitable sponsor's assets, contributions, and grants is the organisation's Annual Report filed with the Charity Commission of England and Wales.

SECONDARY SOURCES

The following served as secondary sources for the above data and cited statistics:

- Filings at Companies House
- The organisations' websites
- Survey responses from Charitable Sponsors
- CAF UK Giving 2025, Charities Aid Foundation

Projections are based on National Philanthropic Trust UK's experience and anecdotal evidence over the past year, in addition to observed economic and political conditions.

STANDARD FISCAL DATA BY FILING YEAR

Since organisations have varied financial year-end dates, data was recorded in the filing year. For example, whether an organisation's fiscal year ends on 31 March 2024 or 31 December 2024, the data will be recorded as 2024.

PAYOUT CALCULATION

Payout from donor-advised funds is calculated as the current year's grants divided by charitable assets held at the end of the prior year.

ACKNOWLEDGEMENTS

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