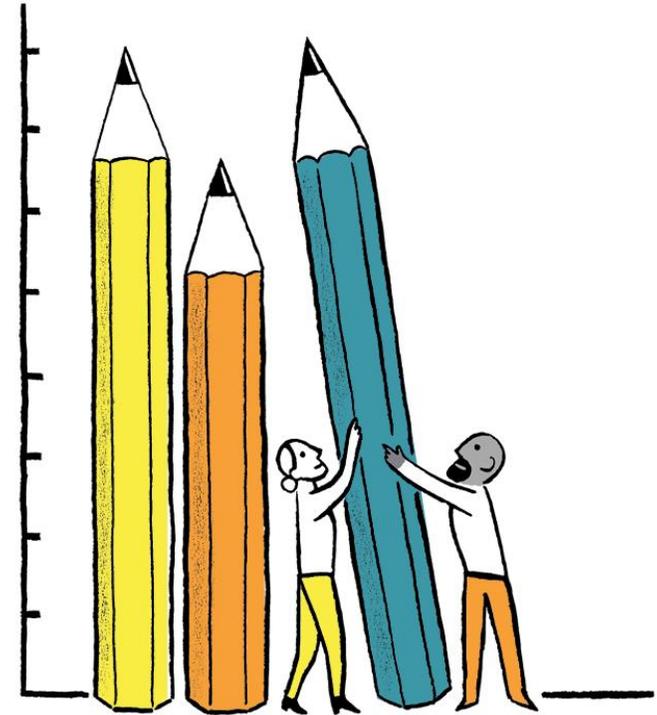




Eastside People

Bringing Change Together

# The Good Merger Index 2024/25



# The 12<sup>th</sup> Good Merger Index: 2024/25



## Charity Commission register of mergers

Charities only

Only lists mergers where charities are closed

Reliant on timing of registration

Little insight

Many reorganisations

# Our methodology



May 1st 2024 to  
April 30th 2025



CC register, news,  
websites, trustee  
reports and  
accounts.



Take out “tidying  
up” of legal entities



Charities and  
social enterprises



Included when  
deal meaningfully  
complete

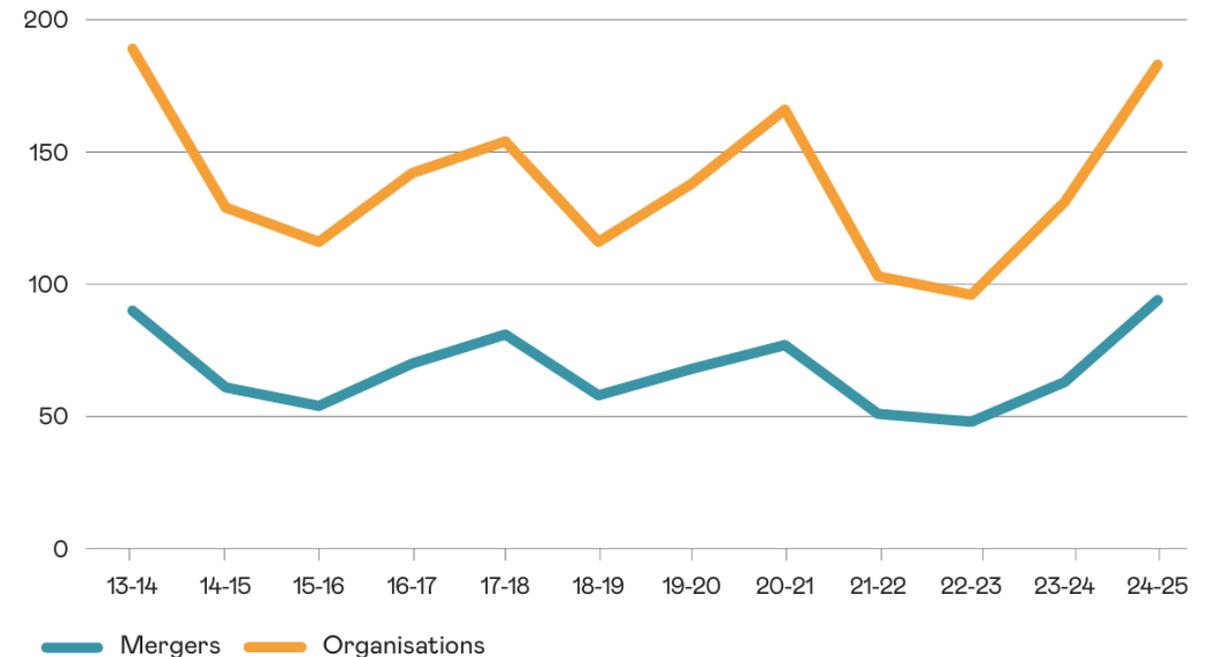


Use our own  
definitions for  
merger types

# Significant increase in merger activity.

- 94 mergers involving 183 organisations
- Highest number of mergers since we began our Good Merger Index, 12 years ago
- 49% increase from 2023-24 and 96% compared to 2022-23
- This marks a return to levels of activity we haven't seen in the sector since 2013-14
- Any year is mainly the result of conditions and decisions in the year before.

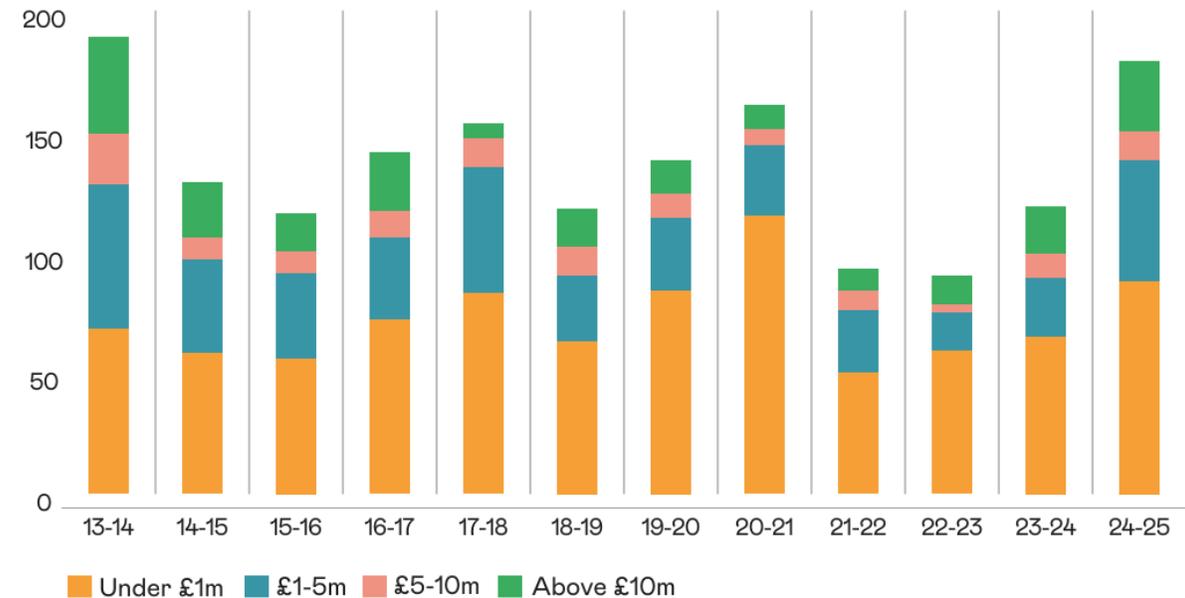
Merger activity 2013-2024



## Increased activity among organisations of all sizes

- Notable increase in activity among organisations of all sizes, confirming that the trend towards consolidation runs throughout the sector
- This year’s level of £1m-£5m organisations involved in mergers not seen since 2017-18

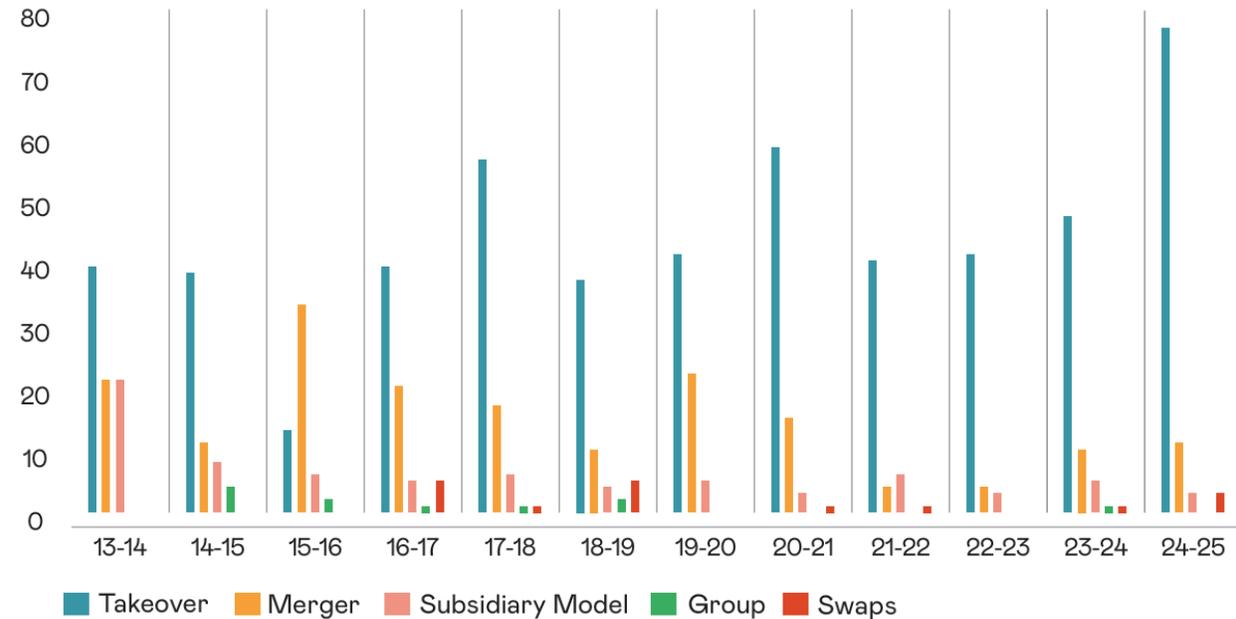
Number of organisations involved in merger 2013-2024 by size



# Types of mergers

- Takeovers remain dominant
- Excepting 2022-23, takeovers constituted a higher proportion of mergers this year than in any previous year

Number of mergers by type 2013-24



## Income values and transfer values



Assets are difficult to assess and arguably less important



We look at the income of organisations involved



For a merger of equals, we take the income of all organisations



For takeovers and similar, we take only the income of the transferor

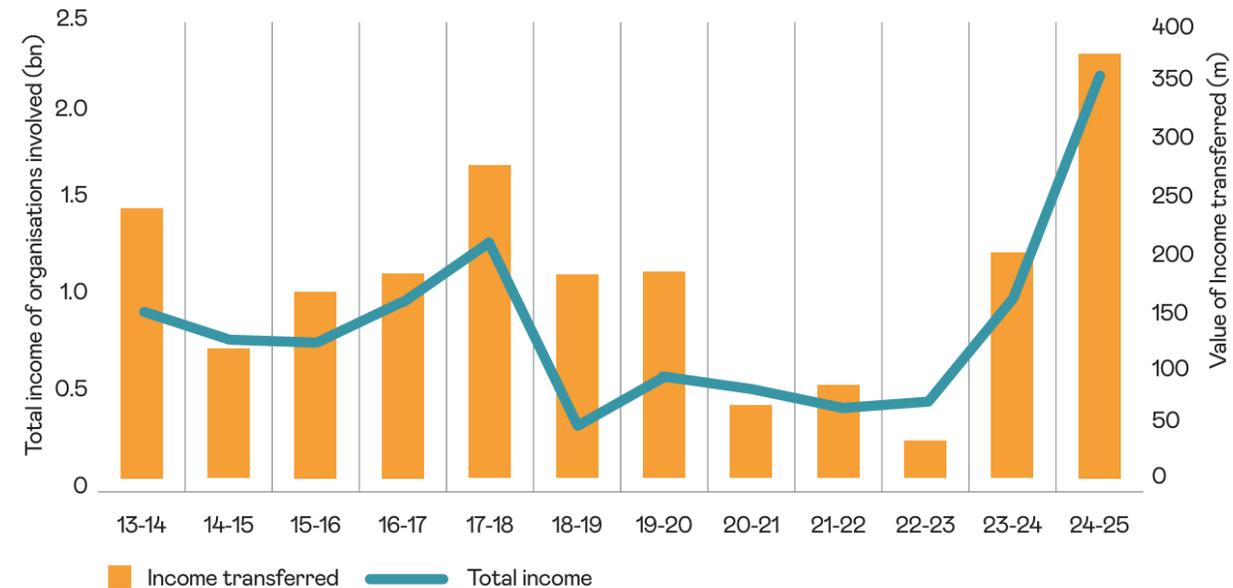


We look at the last available year before the merger year

# Income values and transfer values

- A spike in the value of income transferred
- Just a few very large organisations can skew this
- Top 20 mergers represent 88% of the total financial value transferred in mergers this year – reflecting a very “long tail” of smaller organisations involved in merger

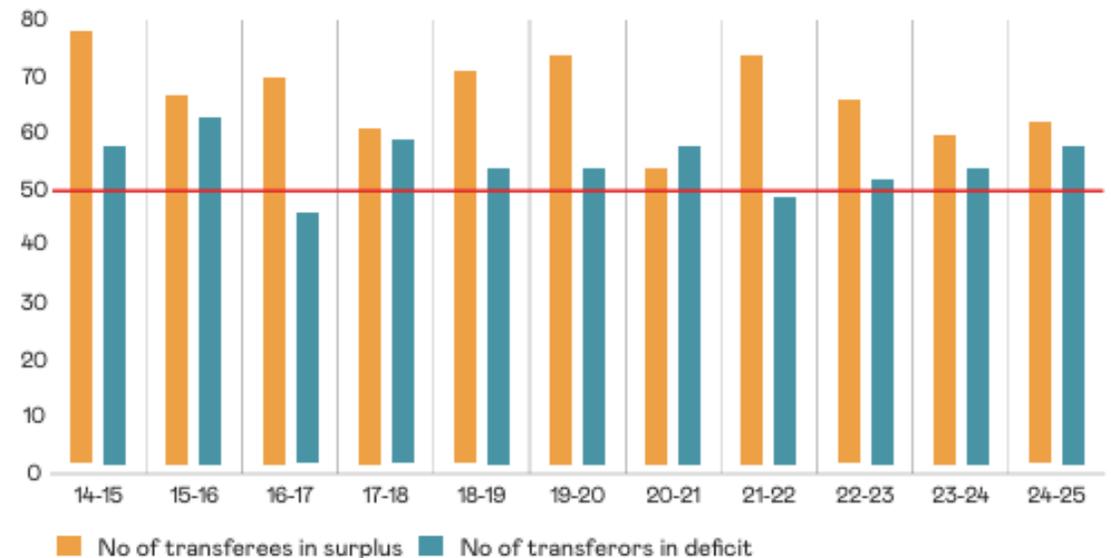
Total income and value of deals per year



## Financial drivers for merger?

- Figures are indicative only
- Year on year increase in number of transferors in deficit
- Challenging economic conditions across the sector – driving growth in merger activity?

Financial performance of transferees and transferors



## Trends



Record-breaking year for charity mergers



13 school mergers in this year's top 20



High levels of merger activity across charities of all sizes

## Key messages

Record breaking increase in both number and value of charity mergers this year

Takeovers dominate as charities pursue resilience

Notable increase in activity across organisations of all sizes

A trend towards consolidation in independent school sector and among small charities

Charity merger levels indicate financial pressures are reshaping the sector



# Thank you

#GoodMergerIndex

- If you would like to discuss anything from the report or want to talk more, please contact Cara Evans: [cara@eastsidepeople.org](mailto:cara@eastsidepeople.org)
- Download all our resources from <https://eastsidepeople.org/resources/>
- RoundTable discussion in partnership with Bates Wells on 21<sup>st</sup> May