

How to fundraise from trusts and foundations

This information sheet gives an overview for groups who are either new to or developing their fundraising skills. Successful fundraising is a process which starts with being organised and planning activities in advance.

Step 1 – check you are ready to fundraise:

Your organisation needs to be set up properly to be able to fundraise. You need a constitution, a bank account, to keep financial records, to be able to manage the money you will receive and be able to carry out the work the funding is for. Our information sheet *Are you ready to fundraise?* will help. If you are developing your organisation you need to consider whether the constitution you have still fits the work you are planning and whether you need to update or review your policies and procedures.

Step 2 – plan ahead:

Think about what you want to do over the next two to three years. It takes a minimum of three months from a funder receiving your application to you hearing whether you have been successful. Ask yourself:

- Why is your work needed, and do you have any evidence/ research to prove it?
- Who will benefit?
- What will you achieve?
- How does it fit in with your aims and objectives?
- What activities will you do and when?
- How does it fit in with other work being done locally?
- How will you do or manage the work - what resources do you need?
- How will you measure the work?
- Have you thought about possible problems?

Write up the answers to these questions in a plan. This helps your organisation see what it is doing in the coming months and years and helps you when you apply for funding.

Step 3 – set a budget:

Work out how much money you need before starting to fundraise. Our information sheets Preparing a budget and Funding budgets explained will help you. Be realistic with your budget and ask yourself 'how much will it cost to do the work properly'? If you are new to fundraising, plan and fundraise for your work for a year or two, rather than fundraising separately every time you want to do something. If you are more experienced and applying for a larger amount of money than before check your accounting and money management systems will cope with the increase and stand up to external scrutiny from funders. Raise some money yourselves and show this in your budget - this could be through membership fees, subs or raffles. This gives you some funds that you can spend on your organisation's aims as you wish. This is called unrestricted funding. All money given to you by funders must be spent on what was applied for - this is called restricted funding as there are limits on how you can spend it.

Step 4 – decide who will take the lead for fundraising:

Think about having a fundraising sub-committee and decide how you will manage the process between you.

Step 5 – networking:

Talk to other organisations about your plans and check whether anyone else is doing something similar locally. You might be able to work together, or work out why what you are doing is different. Funders notice if there seems to be duplication of work in a particular area. Don't underestimate the effects of raising awareness of your work and building up good relationships with other organisations and key workers in your area. Relationship building is a key skill in fundraising.

Step 6 – research funders:

Once you have followed the previous steps and are clear how much you need and why look carefully at each funder's latest guidance and take care to approach those funders who have the right amounts of money to give - if you need less than £5,000, don't go to those who usually give more than £15,000. The free Newcastle CVS funding advice service can help you research funders and keep you up to date with funding information. If you opt to take advantage of our free membership, you will also receive our quarterly magazine, inform, and regular e-bulletins with up-to-date funding information. The ask Connected Voice contact details are below.

Step 7 – make applications:

Look at your possible funding sources, taking into account closing dates, and start applying to those whose guidelines you fit most closely and who can fund a reasonable chunk of your work. Read the guidance carefully and prepare your application in the way they ask. Keep a copy of every application you send and record the date you sent it. The main contact person on the application form should be easy to contact and have quick access to it. Keep a record of any responses. If you are asked for more information, then respond promptly! Our funding advice service help you to improve draft applications.

Step 8 – thanking and informing:

If successful, say thank you straightaway and keep in contact, e.g. send your annual report, copies of publicity and invitations to significant events. Tell funders immediately about any changes in your situation e.g. success with other funders, loss of a key member of staff. If your application is unsuccessful, keep a record of it, any correspondence and any feedback. This helps future applications.

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