

Introduction to fundraising

Fundraising for small groups and organisations

So, you want some money!

You are not alone, there are many organisations and groups who are also looking for money. Competition for funds is stiff, but there is no reason why you shouldn't be successful if you put together a good case. This Information Sheet can help you understand the basis of successful fundraising, help you see giving from the donor's point of view, and suggest action you can take to get the money you need.

This Information Sheet will help you to raise funds locally by helping you think about:

- what your group aims to do
- what you want to do
- what it will cost
- where to find the money to make it happen
- how to ask for money successfully
- what to do after your request has been answered.

Together these constitute your fundraising strategy or plan.

Why should we give money to you?

The first thing any funder or donor will want to know is who you are, what you do and why they should give their precious cash to you. You need to establish your group's credibility and show that if they give you money it will be spent wisely to achieve the objectives you set out to accomplish.

Before anything else you will need to show you have a structure in place which demonstrates you are responsible for handling money and any that funds given to you will be used for the purpose they were intended. This means you will need a **constitution** which sets out your management structure, states that you are non-profit making and says what will happen to your assets and any money you have, should your group cease to operate (called 'winding up'). [See Constitutions] Your national umbrella body should be able to advise you on constitutions if you do not already have one.

In addition you need to think about your **aims, objectives and methods**. Here they are for a fictitious local group of weavers.

What are the aims of your group?

eg. Heathcote Guild of Weavers exists to promote and develop interest and skill in the art of weaving, in the locality of Heathcote.

[See Statement of Purpose]

What are your objectives?

eg To offer support and training to those already practising the textile crafts, especially weaving, to encourage others to take part in this craft form and to ensure the continuation of local textile traditions in Heathcote.

How will you achieve your aims and objectives, ie what are your methods?

eg By holding regular meetings to enable members to share information and skills, to invite teachers to meetings and workshops to offer training, to exhibit our work to as wide an audience as possible and work with schools to

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encourage young people to develop an interest in textile crafts.

It is often useful to clarify your strengths by undertaking a SWOT analysis. This is simply a list of the Strengths and Weaknesses of your group, and the Opportunities and Threats facing you.

[See Strategic Planning]

It is also useful to gather together evidence supporting your work, such as press clippings, letters of praise from satisfied customers and a statement of support from a respected authority, such as the headteacher of a school you have worked in, or your local arts council.

What do you want to do?

The next stage of planning your fundraising activities is to identify exactly what it is you want to do and how much it will cost. You will need to draw up a budget for your expenditure to achieve your objectives. If you don't know how much money you need and exactly what you want it for, funders are unlikely to take your request for money seriously. Draw up a budget for your work, looking at specific costs. Some costs you will want to bundle together, such as 'overheads' to include phone, office lighting and heating and related costs. You may also want to draw up different budgets to highlight different parts of the project for different funders.

Your budget will identify your target for fundraising. It may be worth stopping at this point and examining whether this target is achievable, or if you are selling yourself short, or if it is unlikely that you will be able to raise the amount you need in the time available.

If your target seems like a mountain waiting to be moved...

Break it down into smaller chunks. Think about what the total sum could be made up of: for example, the £3700 that Heathcote Weavers are looking for could come from one donation of £1000, a discount on the marquee hire of £600, £600 from three fundraising events, a grant from the Local Authority of £400, a donation from local business of £400, 100 individual donations of £5 and so on. It is unlikely that someone will foot the whole bill, so think about the different sources available to you and different ways of raising and asking for money.

OK, so who's got the money?

Once you have made and costed your plans you will have to find out which funders are likely to be interested in funding them. Money can come from a variety of different sources and it is always a good idea not to rely on any one source but to spread your funding base as widely as possible.

Sources of money:

- Statutory bodies, for example local authorities, the Arts Councils of England, Scotland, Northern Ireland and Wales.
- Trusts: a full list of grant making trusts can be found in Directory of Grant Making Trusts, published by the Charities Aid Foundation and revised every year so make sure you have the most up to date edition. You can find this and other reference sources on companies and charitable giving in your local reference library. [See Applying to Trust Funds]

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- Companies
- Other organisations, such as schools, rotary clubs, church groups and other community groups
- Individuals

Different kinds of money you might ask for:

- Fees for services you provide
- Grants for projects
- Grants for your running costs
- Donations of specific items of equipment or products
- Donations of services or professional consultancy time
- Discounts on equipment, products or services.

What, more research?

When you have found out who the most likely sources of funding for your project or running costs are, you need to research their criteria for giving. Most funding organisations will have written guidelines on the kind of projects and organisations they fund. Read between the lines and think hard about what they are telling you about the work they are interested in supporting. You may wish to package your work in different ways, stressing different aspects to match the different requirements of different funders.

If you are looking for donations from individuals or companies, try to think about your cause from their point of view. You will need to package your information and request for funding to gain their interest and support. Think of your application for funds from their point of view: what do they get out of it? You may wish to offer them privileges, such as tickets to your first night, name your building after them, offer them the use of space or give their staff discounts. Try and match what you are trying to do with the aims and objectives of the people and companies you are approaching.

Please can we have some money?

Hopefully if you have done your homework you will be ready to ask the big question. The only reason people give money is because someone asks them.

And with all the facts and figures you need to make a good case, the only thing left to do is ASK!

How to ask

- **Face to face**
If you can arrange to meet the right person in a company or in a trust fund to put your case to them personally, do so. It is by far the best way of winning their support. It may take several meetings to get the result you want. Always be prepared, know exactly what it is you asking them for and what you are offering in return.
- **Personal letter**
If you can call and speak to someone before you send a letter to let them know it is coming so much the better.

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- Always address your letters to someone with a name!
- Always make your letter personal and speak to them about yourself with their interests and concerns in mind.
- Never send round-robin letters or photocopied general requests, it is a waste of your time and money.
- **Telephone**
If you feel confident enough and have the name of the right person to speak to, call them and talk to them directly. It may feel uncomfortable as you will be selling your project to them, but if you enjoy this approach it is often successful.
- **Application forms**
If you are applying to a trust or other grant making body the chances are you will have to fill in an application form. It is also a good idea to make initial contact with them to double check they fund the kind of work you are intending to do.
 - Always send your application form with a covering letter briefly setting out your case.
 - Always answer all the questions on the form and send any additional materials asked for.
 - Always send your application in plenty of time before any deadlines.
 - If it is an important application form, phone and check it has arrived.

After asking, follow up

Keep a record of people you approach for money, what you asked them for, when and what their response was.

If you receive a positive response, write and thank them for their support. Take opportunities to show them that you used their money well and are grateful for their help. Let them know how the project develops, or what you did as a result of the money they gave you. Write to them and let them know your future plans. Send them your newsletter if you have one and give them a mention in it as well! Keep track of who is working with them, so if your contact moves on you will know who to approach next.

If you receive a "no, not at this moment in time" type of response, keep a record as they may wish to fund your work in future. You could find out if you approached them at the wrong time, or if they give to specific causes on a regular basis and how they choose them. They may still have the potential to become funders in the future. File your "Nos" as well. Not in the waste paper bin, but somewhere someone taking over your job of fundraiser will be able to find them, so they don't waste their time and energy chasing people you know aren't interested. The second thing about your "No" responses is not to take them personally. People will say no, for many different reasons. And remember, the best way to increase your success, is to double your failure rate! Best of luck!

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What about Lottery funds?

Lottery money is available for five good causes: the millennium, heritage, sports, charities and the arts.

The Lottery funds are distributed by the following funders:

Click on each funder to find out more about what type of work it funds and who to contact if you want to apply. You can also see examples of funded projects.

[Arts Council England](#)

Arts Council England is the national development agency for the arts in England, distributing public money from Government and the National Lottery.

[Awards for All](#)

Awards for All is a Lottery grants programme aimed at local communities.

[Big Lottery Fund](#)

The Big Lottery Fund is committed to improving communities and the lives of people most in need.

[Heritage Lottery Fund](#)

The Heritage Lottery Fund uses money from the National Lottery to give grants for a wide range of projects involving the local, regional and national heritage of the United Kingdom.

[NESTA](#)

NESTA (the National Endowment for Science, Technology and the Arts) is a non-departmental public body (NDPB) investing in innovators and working to improve the climate for creativity in the UK.

[Sport England](#)

Sport England invests in projects that help people to start, stay and succeed in sport and physical activity at every level.

[UK Film Council](#)

As the lead agency for film, the UK Film Council aims to stimulate a competitive, successful and vibrant UK film industry and culture, both now and for the future.

[UK Sport](#)

Working in partnership to lead sport in the UK to world-class success.

The first thing you should do is contact the relevant funder and obtain an application pack. The application pack contains a wealth of information including an application form and guidelines for making your application. These guidelines set out the way in which your application will be assessed and the information the Lottery will need from you to judge your application.

Your application will need to show that the project:

- is financially viable in the long term
- benefits the community
- offers high quality activity
- offers high quality buildings (if it is a building project) or equipment (if it is for equipment)
- gives maximum access for people with disabilities
- has partnership funding (this is money from another source to make up part of the total cost of the project).

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You will also need to show your organisation is non-profit distributing. Check the exact wording of the criteria for your chosen funder, as each has phrased the criteria slightly differently.

How to apply?

You will need to gather information together to support your application. You will need to write a business plan, have detailed financial information on the cost of your project, and evidence to show there is a need for it. The Lottery funding organisations can offer you advice and information to help you make the best application you can.

Further Information

Directory of Grant Making Trusts, Charities Aid Foundation (updated annually).

The Arts Funding Guide, Anne-Marie Doulton, Directory of Social Change.

The Complete Fundraising Handbook, Sam Clarke. Directory of Social Change in association with ICFM.

National Council for Voluntary Organisations, England
Tel: 020 7713 6161 www.ncvo-vol.org.uk

Lottery Funding:

Arts Council England www.artscouncil.org.uk
Awards for All www.awardsforall.org.uk
Big Lottery www.biglotteryfund.org.uk
Heritage Lottery Fund www.hlf.org.uk
NESTA www.nesta.org.uk
Sport England www.sportengland.org
UK Sport www.uksport.gov.uk
UK Film Council www.ukfilmcouncil.org.uk

Other Related Information Sheets

How to Write a Successful Funding Application
Applying to Trust Funds
Introduction to Sponsorship

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