



Helping **you**
to raise money

Five steps to
finding funding for
your project

www.cibsouthandwest.org.uk

Step 1

Are you ready?

Do you have a constitution?

Most funders will want to see this document which sets out your organisation's aims and the rules on how it is run. CIB can help you write a simple constitution



Are you registered as a charity?

You don't need to be registered charity to raise money, but many funders will only give money to registered charities. If you expect to have an income of more than £5000 each year, talk to CIB about whether you should register.

Do you have a bank account?

You will need a bank account in the name of the organisation with 2 or more signatories required for cheques

Do you have accounts from previous years?

If you are not a new organisation, funders will want to see accounts, signed and adopted by your committee. Your accounts may need to be examined or inspected depending on your size

Who will be responsible for fundraising?

Identify who has the right skills and appoint a committee or individual to manage the fundraising. Don't leave fundraising to one person or expect everyone to get involved without coordination.

Put in place a system for keeping records of your fundraising

You will need to record who you have applied to, when, and the result. This will be useful if members of the fundraising committee change.

Step 2

Why is your project needed?

What needs to change?

Funders give money in order to change things and to make life better. You have to convince funders that you have identified something that needs to be improved and changed. You have to describe the problem clearly and produce evidence it exists.

What evidence are funders looking for?

Social, economic, or environmental data and research from a number of sources is helpful. Also, many funders expect to see that you have talked to the people where the need exists.

How do you find evidence?

- Your own research or consultation
- telephone surveys
- postal or online questionnaires like www.surveymonkey.com
- face-to-face surveys
- focus groups
- feedback forms
- Photographs
- your own experience and knowledge
- consultation with users

External Research and statistics:

- the Intelligence Network for Wiltshire and Swindon www.intelligenetwork.org.uk, has key local data and reports.
- Government Office of National Statistics, national and local statistics, www.ons.gov.uk, www.neighbourhood.ons.gov.uk
- Local government agencies such as health services and the local council, www.wiltshire.gov.uk have information on Local Area Plans as well as the overall Strategic Plan for Wiltshire.
- Specialist charities for the area of need.
- University departments and specialist research centres.
- Reports
- Case Studies
- Expert Advice

Step 3

What will you do to change things and how much will it cost?

Make sure you understand what are you trying to achieve.

What difference do you want to make? This will be the outcome of your work (more on this in Steps 4 and 5).

What will you do to achieve this difference?

You may have be starting a new organisation, run an existing service you want to continue, or want expand into new work. It can be difficult to find funding to deliver an existing service (often called core funding) as funders often prefer a specific project. Try to package what you do into projects, each with an identifiable need and specific outcomes

Plan each project

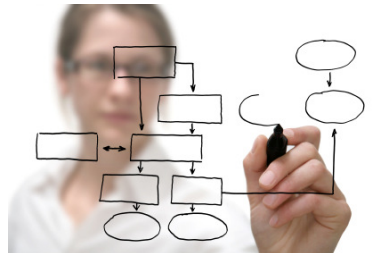
What will you do?

How will you do it?

Who will do what?

When?

What will you achieve?



You will need to show that your plan is an effective way of dealing with the problem, and sometimes that the benefit will be appreciated by the community. **Charities Information Bureau can help you** further with project planning.

A good project plan will help persuade funders you can spend their money wisely and effectively.

What will it cost?

Look at your project plan and list everything you will need. Identify whether each item is **capital** (one-off expenditure such as buying equipment or vehicles), or **revenue** (recurring costs such as salaries or rent).

Items in your list may include:

Capital

Office equipment
New Building
Furniture
Minibus
Play equipment
Building alterations

Revenue

Salaries/Nat Insurance/Sports equipment
Pension contributions
Rent
Heating & Lighting
Telephone
Postage & Stationery
Training
Travel
Repair/Maintenance for buildings/equipment
Volunteer Expenses

Work out how much money you need under each item.

Don't just guess at capital costs. Find out from suppliers what equipment or services will cost. You will usually need at least 2 quotes for more expensive capital items.

Estimate revenue costs by looking back at other projects you have run. If you are a new organisation, ask other organisations what they spend. If you are applying for more than one year, allow for salary increases and inflation.

Identify items needed directly by the project and also any indirect costs. Indirect costs are everything the organisation does which are needed to make the project work, for example, administration, buildings, insurance, management, governance? You can include a proportion of these annual costs in the project budget. This is called full cost recovery.

Keep notes of how you arrive at your figures so that you can explain your budget to funders. Ask for our example spreadsheet to get started.

Remember that you may not need money for everything – you may be able to secure donations of goods or services. You can include an equivalent cash value in your budget for donated items if you need to show a funder that you are not relying only on their funding. This is sometimes known as “matched funding”.



Step 4

What will the difference be and how will you know it has changed?

Funders will want you to show that by spending their money you have **made a difference**. They will want to know the **outcomes** of the project.

You need to formulate your expected outcomes in the application (see Step 5) but also plan how you will show the funder whether you have met these or not.

You need to Monitor (collect data) and Evaluate (make judgements).

If you're looking for funds you've already done some monitoring and evaluation, although you may not have known it! You collected some data (talking to people, looking around, reading stories in the paper) - this is **Monitoring**.

Based on what you noted from the data, you decided the situation needs changing - this is **Evaluation**.

Without the initial process just described, you cannot show funders that the project is needed (Step 2) and you cannot design the project (Step 3). When the project is running, collecting data and making judgements on whether you are succeeding helps you to adjust what you are doing. Once the project is complete, collecting data and evaluating what has changed demonstrates to the funder that you succeeded.

Monitoring

Collect information:

- Before the project - on the existing situation
- During and after the project - on what you did and your activities (**outputs**) and the changes you brought about (**outcomes**).

You need to take time and collect information in an organised and routine manner.

Evaluation

- Analyse the data and make judgements (judgements can be negative – you need to be open and honest in the evaluation process.):
- Before the project to demonstrate the need for the project
- After the project:
 - to show that you met your desired outcomes
 - to judge your success and the impact you had.
 - to identify what you have learnt, particularly what works and what doesn't
 - to share your findings with others, so others can replicate your success or avoid the same pitfalls
 - to celebrate your success

Use our factsheet on 'Monitoring and Evaluation' to plan how you will collect and assess the information you need to convince funders and to run successful projects.

Step 5

Get the funder to give you money

How can you make your application special?

How to Write

- Don't waffle. Write concisely and clearly.
- Avoid jargon (language which only people doing your type of work understand) and abbreviations.
- Use positive language - "We will...." rather than "We hope to..."
- Be specific rather than general – try "We will run a gym club" rather than "We will provide youth leisure activities" or use "monthly" rather than "regular" and "20" rather than "several".



What to tell the funder (whether on a form or in a letter):

- Describe your project by telling the funder **who** will do **what**, to **whom** and by **when**.
- Include evidence of the need for the project.

- Be precise about what you will achieve. State what will be the the **outputs** and the **outcomes**.
- **Outputs** are measurable activities e.g. the number of training courses you run.
- **Outcomes** are the difference you will have made, for example, the number of people who find employment as a result of your training courses.
- Include precise targets such as “We will increase our users from 20 to 40” rather than “We will grow our users”.
- Explain how you will know that you have made a difference (what records will you keep, how will you monitor progress and evaluate what you have achieved?)
- Who has already funded you. This helps to establish your credibility and who else you have asked for money. This shows you are making an effort to find the money.

What to include in an application letter

If there is no application form, you need to send:

- a letter
- a budget sheet for the project you are applying for – see **Step 3**,
- your last accounts.

The letter should say:

- **Who you are** - Keep it short and only mention your history if it is really relevant to this application for funding.
- **What you do** - Keep it short and emphasise the skills relevant to the project you are seeking to fund.
- **The problem** - Include evidence of the need.
- **The solution** - Describe your project clearly in only as much detail as you need to explain how effective it will be. Emphasise the benefits to the participants.
- **The cost** - Include a separate budget sheet but do put the total cost or cost per year in your letter.
- **How you will raise the money** - Tell them who else you are asking for money. If you have already had success with other similar funders, tell them.
- **Ask for the money!** You can ask for a specific amount but it often pays to ask for their support and leave the amount up to them.

Helpful Hints

- For each funder, find out if you need to write a letter or fill in an application form.
- Photocopy the application form and draft your answer before filling in the final copy
- Ask an outsider for comments before finalising your answers or letter - your advisor at Charities Information Bureau can give you some independent feedback.
- Reread the form or letter and ask yourself, will the funder think: **“If I give this organisation a grant, they will spend it wisely and make a real difference ?”**



Who do I apply to?

Remember - there are many different types of Funder!

- Government (European; central; regional; county; borough; parish; health trusts; quangos)
- Lottery funds
- Charitable trusts
- Companies
- Individuals

It is easy to waste time and money applying to the wrong funder, so **ask for help and information from CIB.**

Visit www.cibsouthandwest.org.uk to search our database or contact us to do an in depth search on your behalf.

Find out all you can about a funder and what they are interested in funding. If they publish guidelines or have a website, read these carefully.

Think about:

- Does your work or the people you work with fit their criteria?
- Does the funder have exclusions which mean that they will not fund you or this project?
- What size of grant do they give?
- Do they require match funding (so will they only give you money if you can find some more money from someone else?)
- How difficult is it to apply and how much monitoring and evaluation will the funder expect? Will the amount of money you are likely to receive be worth this effort?

Draw up a list of funders to apply to and decide who you will apply to first.

You can apply to a few at once but focus your initial effort on the larger funds who you think most likely to fund you, and work your way down to the smaller funders or those least likely to help.



Don't forget to say thank you to the funder if you get some money!!

Final Checklist

- Make sure your application is consistent – does the budget match the description of the project?
- Have you included in the budget all the items, including indirect costs?
- Have you answered all the questions on the application form?
- Have you put all your answers on the form - do not put “see attachment” unless the form says that you can
- Have you include all the requested documents, such as accounts, and copy of your constitution?
- Has the correct person signed the form?
- Has your management committee agreed to this application?
- Do you need an independent referee? Make sure they know about the application and give them a copy.
- Have you addressed the form or letter correctly and paid the right amount of postage?
- Do you need to include a stamped self addressed envelope?

For further help contact:



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