



Fundraising – summary

This document contains summaries of the contents of the full online toolkit available from www.thebasisproject.org.uk

Introduction

The key to successful fundraising is to start with a clear understanding of the work you want to do and the resources required. Only then can you work out how best to raise the funds.

This toolkit will guide you through the fundraising process: developing a strategy, considering different ways to raise funds, making applications, managing your project and evaluating its success.

Fundraising can be a time-consuming and difficult exercise, so ask for help and advice from those who have more experience, and try not to get too frustrated!

If you have comments about the content of this toolkit, or suggestions for how we might develop it, please contact us.

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Acknowledgements

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- [Directory of Social Change](#)
- [Charities Evaluation Services](#)
- [Barking and Dagenham CVS](#)

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We hope this resource tool will enable refugee community organisations to develop and provide high standard services to their communities.

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Section one Developing a fundraising strategy

Your organisation's fundraising strategy should be based on the business plan – i.e. the activities you plan to undertake and how much they will cost.

Your fundraising strategy should explain:

- What your organisation wants to do (aims and objectives)
- Why your organisation wants to do it (the need)
- Who will benefit
- What will happen if nothing is done (i.e. the effect on the community)
- When your organisation wants to do it (timeframe) how much it will cost (budget)
- How your organisation plans to raise the money
- Who is responsible for doing what (tasks)
- What funding is already secured.

While this should help clarify your thinking and enable you to plan fundraising activity, don't feel that the strategy can't be changed. It's important to modify the document to reflect changes in circumstance or priorities.

Drawing up the strategy is a good opportunity to involve a wide range of people, from the trustees who should be setting the overall strategy, to staff and volunteers and relevant external contacts. Time spent getting the strategy right, should pay off when you actually come to try and raise funds.

Section two Different ways of raising funds

There are many ways of raising funds and the approach you choose will largely depend on how much is needed, and for what purpose.

Funding for your organisation might come from:

- Fundraising events such as car boot sales or cultural evenings
- Statutory funders – i.e. central or local government (see governmentfunding.org.uk for more details)
- Charitable trusts and foundations

Section three Ready to fundraise?

Any fundraising process should start from a clear idea of what resources are needed and why; that is, what the needs of the beneficiaries are and what plans there are to address them.

Fundraising must be linked to the development of your organisation. It must also reflect and support your organisation's aims and objectives.

If not, your organisation might find itself chasing whatever money is available and will quickly lose its purpose.

Questions to consider include:

- What is the purpose of your project/organisation?
- How do you know there is a need for the project/organisation to exist?
- How do you plan to meet the needs?
- How will you measure the effectiveness of the project?

Section four How funders work

Once you've prepared your fundraising strategy and considered the different ways to fundraise, you need to consider how funders work and what they are looking for.

Start by looking for funders that fund organisations or activities similar to yours.

[The Complete Fundraising Handbook](#) (published by the Directory of Social Change) can help you get to know funders. If you can't afford to buy a copy, your local Council for Voluntary Service (CVS) should have one.

Do as much research as you can before applying to a funder. For example, are there certain types of things that they will or won't fund? Do they have deadlines for applications? Do they cover certain geographic areas? Will they give money to core costs or only to specific projects?

Don't be afraid to contact them to ask questions before applying.

What funders want

When it comes to making an application for money, different funders require different kinds of information. Most will want the basics about your organisation's aims, objectives and plans but, while some won't require too much detail, others will send lengthy forms to be completed.

Often they will be particularly interested in the outcomes of any work they fund. Who will benefit, and how will you evaluate it? Good, clear answers to these questions will make for a strong application.

Funding applications can be daunting and difficult to write, so don't be afraid to ask for help from your local CVS or another relevant agency. Take the time required to get it right.

Section five Identifying and demonstrating need

Most funders will ask you to identify and demonstrate a need for the work you want to do -- something you might have done when you developed your fundraising strategy.

It's not normally enough simply to say that your organisation believes certain work is required, you need to provide evidence such as consultation with the relevant people in your community.

Some ways to consult:

1. Questionnaires – Keep the questions clear and focused
2. Statistics – find out what relevant research has been done already
3. Focus groups – bring together a small group of people for a guided discussion
4. Stalls – set up a stall in your local shopping centre, at an event, or at a youth club so that you can chat to people informally.

Consultation and research can help you to answer some of the specific questions that funders might ask, such as:

- How many people will your project benefit?
- How is your project different to similar existing services?
- How will you make your project accessible?
- How will the project benefit those that use it?
- How will you monitor and evaluate the activities of your project?

Doing the research in order to answer these questions will take time. But the more evidence you can find, the stronger your case will be and the more likely it is that the funder will give you money.

Section six What makes a good application?

Preparation and attention to detail will give you the best possible chance of success.

Writing the application

Always write in draft first and get someone else to look over it. Make sure you follow the instructions and answer questions as fully as you can without going off the subject.

Working out the cost

See the [Financial Management](#) section for advice on how to draw up a budget. Make sure you don't underestimate your costs, funders want you to be realistic.

Keep it simple

Funders want clarity. Try to keep your application as clear and simple as possible. Lay it out neatly and make sure you meet the deadline!

More funding application tips:

- Make sure your application matches the funder's criteria
- Use facts and figures to support your case
- Fill out the application form accurately, remembering to include any required documentation, for example annual reports
- If your application is successful, remember to thank the funder and to follow any reporting criteria that they require.

Section seven Managing your project

Before funders will give your organisation any money, they need to be confident that you have the financial systems in place to deliver the project and account for your spending.

Funders expectations will include that:

- Your management committee meets regularly and has close contact with your users or community and has the required skills to deliver the project
- Your organisation has transparent financial systems and procedures
- You support your staff and volunteers well and carry out regular supervisions.

Developing a budget

Your budget for the work you want funded needs to be as accurate and comprehensive as possible. See the Financial Management section for more information about writing budgets.

Some tips for writing budgets:

- Be realistic about how much things cost
- Budget for planning, monitoring and evaluation
- Make sure you have systems in place for monitoring and reporting on spending
- Remember to include running costs (such as premises, stationery, management)
- Show in-kind support and match funding
- Check the terms and conditions of the grant before accepting funding
- Be realistic about what you can deliver
- Keep in regular contact with your funder – and always alert them to any problem as soon as possible.

Plan ahead

Effective fundraising takes time, so try to start the process as far in advance as possible. It can be useful to set up a fundraising committee, perhaps combining a selection of staff volunteers and trustees.

Section eight Monitoring and evaluation

Effective monitoring and evaluation enables your organisation to understand and learn from any successes and failures on the project and apply them to future funding proposals.

You will also need to report your funder about performance against the targets you set.

If you want more help, [Charities Evaluation Services](#) specialise in providing information, training and advice on quality and evaluation systems for the voluntary sector.

Section nine Glossary

Some common terms in fundraising.

Beneficiaries

The group, individual, activity or object that benefits from the work of an organisation.

Capital funds

Restricted funds which must be retained for the benefit of the organisation and not spent.

Capital grant

Money given specifically to buy fixed assets, such as office furniture or computers.

Core costs/running costs

The basic costs needed to run your organisation, for example it may include rent, telephones, stationery, salary for a co-ordinator and electricity bills.

Full cost recovery

The principle of ensuring that all of the costs of an activity, including applicable overheads and staff costs, are included in contracts and funding applications.

In kind (gifts, help) support

Something other than money. A company that gives you some second hand computers giving support in kind rather than in cash. Volunteers that give their time to an organisation are also giving support in kind.

Legacy

A gift in a will to a person or organisation. For example, someone might leave money to a cancer charity.

Match funding

Some funders, for example European programmes, will only provide a contribution towards the total cost of your project. The rest of the money must come from another sources. The initial promise of money will only be released once the match funding has been guaranteed.

Payroll giving

A tax-free way for people to give to charity. Employees can have their donations taken straight from their gross pay before tax. [Payroll Giving](#) offers charities a unique way to combine fundraising with building relationships with their donors as well as with the corporate community.

Restricted funds

Funds received by the organisation for a specific purpose, stated by the donor, which cannot be used for any other purpose. Any interest earned on restricted funds is also restricted to the purpose of the fund which earned the interest.

Unrestricted funds

Funds held for the general purposes of the organisation, to be spent within the stated objects.

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