

# information sheet 3.8

## Fundraising - Before You Start!

Everyone would far rather be getting on with providing the support, activities or services to your beneficiaries that your group was set up to do. Unfortunately, a lot of the time this can't happen until you've got the funding in place to enable you to do this. Fundraising is therefore one of those jobs that someone (preferably a few of you) simply **MUST** learn to do effectively.

There are a number of things you need to have in place as a group looking for funding before you can even think about approaching a funder for money.

If the things on the list below are **NOT** in place or haven't been addressed you stand very little chance of gaining funding so contact VODA now and ask for help in making sure you can tick everything below before you start filling in application forms!

- You must have a management committee of **AT LEAST** three people (see our 'Running Your Group' information sheets) and be formally constituted. VODA can help set your group up with an easy to understand, four-page constitution, which sets out what you are set up to do (your charitable objectives) and how you can do it. Once this constitution is adopted you are recognised as a charity without a registered charity number (an unregistered charity).
- Decide whether you should become a registered charity; if your yearly income is more than £5000 you are obliged by charity law to become a registered charity with the Charity Commission. Ask the VODA Development Team for more advice on this - we can help you become a registered charity if appropriate.
- You must have a bank account with at least two signatories (who should **NOT** be related to each other or live at the same address). Funders need to be reassured that you are a group of people operating under a set of charitable rules and have to countersign cheques so an individual can't run off with their money if they give you a grant! VODA can provide information on banks which offer community group-friendly group accounts.
- You need to set up a simple Income And Expenditure system (your 'books') so you can keep on top of how much is coming in and how much is going out. VODA's Development team can help you set up a simple system (book or computer-based), which will allow you to put together a simple set of accounts at the end of your financial year (a specific 12-month period that you adhere to, year in year out, e.g. April to March the following year or January to December, to name two options.)

- You should be meeting regularly to keep your management committee up-to-date with your group's activities, income and expenditure and so you can make decisions accordingly. A minimum of four times a year is recommended - more frequently is often better.
- You need to be in agreement over what you want to do and plan your activities well in advance as this gives you time to raise the money needed. If you want to have a fighting chance of applying successfully for funding you should be putting the application in AT LEAST three months (preferably more) before the activity takes place for smaller amounts. If you're looking for sums above £5000 you should allow AT LEAST four to six months (preferably more) to get a decision back from a funder. Funders may meet once or twice a year or quarterly (or every two months or so if you're lucky!) so the date from which your application lands on their desk to the next panel meeting dictates how long you have to wait for a decision so BEAR THIS IN MIND!
- You need to know **why** you are doing the work, **who** it will benefit and **what** the work will achieve - if you don't know this how can you expect a funder to understand?
- You need some **evidence** to show why what you want to do is needed - have you consulted with your user group - the people who benefit from your group's activities? Have you identified a problem and just as importantly, the solution that goes with it? If so, you need to spell this out to the funder in your application.

- You need to know **how** you will carry out the work – e.g. Who is responsible for buying the equipment? Who will arrange the training? How will you let people know what is happening? These tasks need to be allocated to suitable people on your management committee and they need to report back regularly on their progress so the committee know what is happening.
- You need an **accurate budget**, whether you are applying for capital costs (equipment, white goods, furniture etc.) or revenue (running costs and workers) or both - see our 'Budgets' information sheet. Funders need to see precise quotes or evidence of costs of everything you are asking for (catalogue pages, downloads from internet etc.) - use real figures rather than ones rounded up to the nearest 0!
- You need to think about how you will **measure or demonstrate** the success of your work - how can you show the funding has made a difference to those who benefit from your activities? How will you report this back to your funders and show them they've got a big bang for their buck? Ask VODA's Development Team for more information about how you can do this.

Be realistic. If you have not fundraised before it is much better to **start off small** and get some experience first. This helps you build up credibility. If you're just starting up funders need to see you can successfully manage smaller amounts over a year or so before they can take a leap of faith and provide you with larger amounts.

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