



T3SC Factsheet

Funding—getting started

Sooner or later, and usually sooner, a group or project will need some money. Whether it is to get things started or to keep things going, not a lot happens without it! Fundraising is all about how and where that money is going to come from, but before you start to approach potential funders, it is well worth while considering the following points.

Your Proposal

Before you start to fundraise, you will have a need or a problem which you want to address, and you probably have ideas about how you intend to do this. This is your starting point and needs to be well thought through before you start looking for money. You need to turn these ideas into a written proposal which you can present to potential supporters and funders. In drawing up this written proposal ask yourselves the following questions:

- ♦ What are our objectives? (i.e. what do we want to achieve?)
- ♦ How are we going to meet these?
- ♦ What evidence do we have to support our ideas?
- ♦ What facts and figures can we use to support our case?
- ♦ Does our method stand a good chance of success? Why?
- ♦ Has the idea been tried before? With what results?
- ♦ Can we state our case clearly and with conviction?
- ♦ How will we measure success?

Remember, as well as presenting your ideas you need to show that you are a credible group, that you know what you are doing and that you are capable of carrying out the work to a good standard. It is therefore vital to spend some time on developing your proposal as this is what you will be asking funders to support. Your written proposal should fit on to one or two sides of A4 paper once typed.

Raising money can take a long time so plan well in advance and allow at least six months from the start of your fundraising to the time money arrives in your bank account. Funders may only meet a few times a year so you may have to wait awhile before getting a decision on your grant application.

Your Group

Before applying for funding you will need to ask yourselves:

- ♦ Do we need to set ourselves up first? Do we need a bank account and a constitution? Can you locate the signed copy of your constitution?
- ♦ Do we have last year's accounts or if a new group, a 12-month cash-flow forecast?
- ♦ Do we have policies and procedures needed by some funders e.g. equal opportunities, health and safety, child protection policies?
- ♦ Do we have/need insurance?
- ♦ Do we still want to do this? Situations do change, for people and for groups.

T3SC can help groups starting-up with constitutions, bank accounts and key policies

Your Funding Need

Once you are clear about what you want to do the next step is to work out precisely how much it will cost. This cost is the amount you need to fundraise for. This is called your **budget**. Again you need to spend some time on this to make sure that your figures are as accurate as possible.

Make a list of all the things you need funding for

Find out how much each of these items will cost (e.g. if you are buying a computer, look in catalogues to get an estimate; or if you need funding for room hire, contact the place where you wish to rent space to find out how much they charge). Keep notes on how you reach your figures, so that you can explain them if asked. Make sure you don't miss out on any hidden costs such as insurance, training, travel expenses. If you intend to put some of your own money towards the project, include this in the budget too so you get an accurate idea of how much you need to fundraise for (i.e. the balance between what you have so far and what you need in total).

What's the difference between revenue costs and capital costs?

Revenue costs are on-going/running costs – wages, rent, heating and lighting, postage, telephone. Capital costs are one-off items – office or computer equipment, a minibus or a building.

The two main dangers here are understating your costs which could leave you with financial problems, and overstating your costs which may lead funders to reject your application. Remember many funders will have a good idea of how much things usually cost – yours is unlikely to be the first application they have seen! If your costs are much higher or much lower than usual, and you don't say why, funders may assume that either you don't know what you are doing or that you are deliberately misleading them - either way they are unlikely to fund you!

Your Fund Raising Strategy

Once you have a written proposal with costings, you are ready to look for sources of funding. There are many ways of raising money and you need to limit your approaches to a few that you can do well rather than spreading your efforts too widely. You need to work out a fundraising plan that takes account of your abilities, resources and the scale of your financial need. By doing this you will direct your efforts where you are most likely to be successful. You need to think about:

- ♦ Which funders are most likely to be interested your group's work/activities? – Look at what types of activities they like to fund and who they like to fund.
- ♦ When do you need the money by? Funders have different deadlines – make a note of when applications need to be submitted and when you are likely to hear if you have been successful or not.
- ♦ How much a funder will give and for how long – make sure this is in line with the amount you need to raise and the length of time you need the money for.

If you know of other groups who have done similar things find out how they raised the money. Think about how much money you need - can you raise it yourselves? What skills and knowledge do you have within your group, or do have a local contact who can help?

Don't be afraid to contact a funder (if they provide a contact email or telephone number) to check if your group would be considered for a grant and to ask questions about application procedures if you are unsure. Keep a record of which funders you approach and the outcome. Leave plenty of time to develop a good proposal and get all the supporting documents you need to submit with your application (e.g. your bank details, constitution etc.). **Make sure you submit it before the application deadline!**

***For more information please contact T3SC
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