Northumberland CVA

Fit for Funding

Before you start applying for grants, you need to make sure that you have the basics in place. Funders need to know that they can trust you with their money, and that your project or organisation is well managed and likely to succeed.

Here are some of the key areas you need to think about. Most funders will need this information!

Fit for funding checklist

Legal identity - What legal structure does your group have?

- Unincorporated association (group, club, or society)?
- Registered Charity?
- Company Limited by Guarantee?
- CIC (Community Interest Company)?
- CIO (Charitable Incorporated Organisation)?
- Are you a branch of a national organisation without your own constitution?
- Other?
- If needed, is there an organisation who will accept money on your behalf?
- Are you registered with the relevant bodies?
- What are your registration numbers?
- For more information see our 'Legal Structures' factsheet.

Aims and objectives

- Does your group have a clear understanding of its aims and objectives?
- Is your group clear about the services it provides?
- Do you know what resources your group has, e.g. workers, volunteers, grants, office and equipment etc.?

Governing documents

- The management of your group starts with your governing document whether you are a voluntary group, a registered charity or a company limited by guarantee.
- Is your constitution/governing document up to date and does it cover all your activities?
- If you are expanding, do your objects cover your new plans as well?

Management

- Do you have a management committee of at least 3 people?
- Do you keep minutes of all committee meetings?
- Does your committee know its legal responsibilities?
- Does it have the knowledge and skills it needs?
- If not, can you show that you know where the gaps are and that you are doing something about it? This is particularly important if you are starting a major new project – for instance employing staff for the first time, or a big building project.

Policies

- Do you have policies in place that cover the work you do?
- The sort of areas you might need to think about include: equal opportunities, health and safety, volunteering, employment and safeguarding policies for working with children or vulnerable people.
- This is not an exhaustive list – the policies you need depend on the work you are doing! For more detailed information see our 'Policies and Procedures' factsheet.

Insurance

- Does your group have insurance to cover its legal responsibilities?
- The insurance you need will depend very much on your group's activities and services, but you should consider: Public Liability, Professional Indemnity, Trustee Indemnity, Building and Contents, Event and Employers Liability insurance.

Finances

- Can you provide up-to-date annual accounts that give a clear picture of your financial position (or an income/expenditure projection for new groups)?
- Have they been approved by your committee, and independently checked or audited?
- Do you have systems in place to record all money coming in, and going out?
- Do you have checks and controls in place to avoid mistakes and to keep money safe?
- Are you running at a loss? If so, you may need to provide extra information to convince a funder that you are worth taking a risk on.
- Do you have lots of savings? You may have some designated funds in your accounts which may give the wrong impression of your financial status. If this is the case it may be useful to provide an explanation of these funds. For example, this could be a designated building fund or funding from a previous grant for work which is yet to take place.

Returns

- If you are a registered charity, or a company, are your annual returns to the Charity Commission and/or Companies House up to date? Many funders do routine checks on the Charity Commission website so it's very important to make sure this information is up to date before submitting any funding application.

Bank account

- Do you have a bank account in exactly the same name as the organisation and the governing document (where each cheque needs two signatures)?
- Do you have at least 2 signatories (preferably more)? Remember that signatories cannot be related or live at the same address.

Fundraising strategy and business plan

- Do you have a plan of what you are looking to achieve, how, and by when? For large projects, funders may require a formal business plan.
- Do you have a fundraising plan outlining where you plan to seek funding from, and when you'll make your applications?
- Do you have a fundraising group?
- Do you keep records of your funding applications and any correspondence with funders?
- Does your group have an independent referee?
- Does your group identify a named person to act as a point of contact when submitting funding bids?

Funding project

- What is the project you are applying for? A project is an identifiable piece of work which is achievable with the amount of money you are applying for.
- Why you are doing the work? Who will it benefit and what do you expect to achieve?
- What are the outcomes (the changes you will make) that will arise from this funding?
- You need accurate costings for your project. Do your research and find out exactly how much money you need. Funders do not respond well to 'ballpark' figures so you will need an itemised list of everything you need and how much each item will cost. Always be specific and ask for a definite amount. You will need evidence of cost or estimates for larger items.

What all funders want to know?

When writing a funding application there are eight basic things that all funders want to know. They are:

- What do you want to do? (your aims)
- Why? (your reasons)
- How will you do this? (your objectives)
- Who will you work with? (your target group)
- What will be the result? (your outcomes)
- How much will it cost? (your budget)
- What will happen when the grant ends? (your exit strategy)
- How will you keep track of your progress? (monitoring and evaluation)

You may find it useful to put aside the application form and answer each one of these questions on a separate piece of paper. This will form a good basis for all your applications.

Next Steps

1) Agree a vision or aim for your group

2) Consider developing a fundraising sub-group by inviting individuals with specific skills, who may not necessarily be part of your management committee, to be a part of it

3) Develop projects which tackle real problems in the community and make your outcomes SMART, (Specific, Measurable, Achievable, Realistic and Time-based)

4) Cost your project accurately

5) Find and research likely funders – see fact sheet ['Searching for funding'](#) for more detailed information

6) Plan ahead - sort out a funding strategy and be aware how long it takes funders to make decisions

7) Find out what they really want to fund and how much money they have to give and tailor your applications accordingly

8) Write a good proposal and target it to the funder's guidelines or criteria

9) Manage the process, know when deadlines are and leave yourself enough time to write a good quality application

10) Keep copies of everything you send

11) Have a fall-back plan if your application is unsuccessful

12) If you are successful don't forget to thank the funder and keep in touch with them too, send reports and build the relationship

Getting further support

Northumberland Community Voluntary Action (Northumberland CVA) can provide advice and support in all aspects of the funding application process. For further support and information, email enquire@northumberlandcva.org.uk or call 01670 858688.