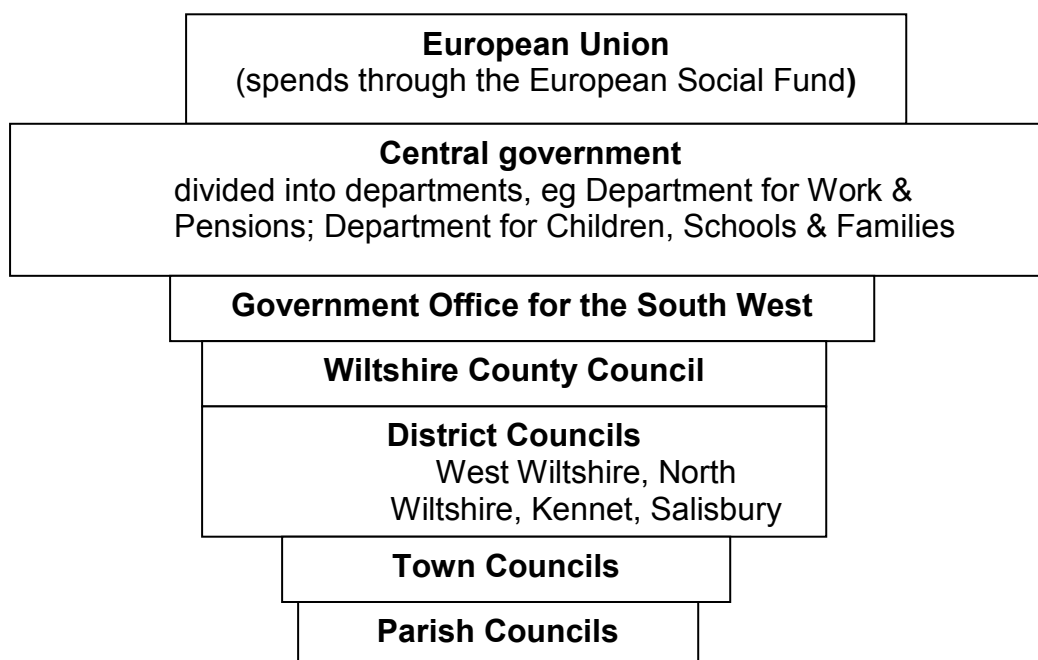


# Who Gives Money?

## *A Guide to Types of Funders*

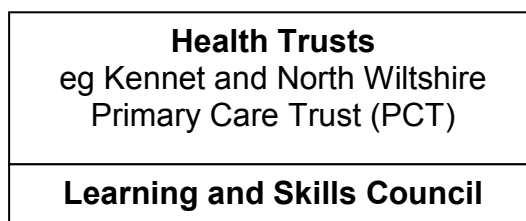
### Government

There are many levels of Government and each spends some money with charities and community groups.



Other organisations also spend government money with charities and community groups

For example:



Government spends money raised through taxes and so has to know how it has been spent. To get money, you need to go through a structured process and afterwards keep good records of how you spent it.

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Local government (eg Town and Parish councils) give grants to help community work. Higher levels of government (eg Central and County council) use contracts, employing charities and community groups you to provide services on their behalf.

## Lottery funds



Money raised by the National Lottery (£25million each week) is given out by 15 organisations. The main English ones are:

- **Big Lottery**
- **Heritage Lottery Fund**
- **Sports Council**
- **Arts Council**
- **Awards for All**

Together they give money to a huge range of charities and community groups, large and small, providing all sorts of activities

**The Big Lottery** is divided into a number of programmes each covering a different activity, eg children's play, well-being, communities.

**Awards for All** gives grants for all the activities also covered by the others.

Awards for All gives grants of less than £10,000. The others give grants starting at £10,000

The Lottery funders have lots of information on how to apply, particularly on their website - [www.lottery.org.uk](http://www.lottery.org.uk).

The Lottery funders each have their own application form. They want to know in detail what you want the money for and, afterwards, how you have spent it. Awards for All has the simplest application form because its grants are the smallest. Applying for Lottery funding can be hard work and is often very competitive.

## **Charitable Trusts and Foundations**

Charitable trusts are charities who give out money to help others. There are around 9000 in the UK.

Many have money from wealthy individuals. Their money is invested and the income is given out to charities and community groups or to individuals in need. Other trusts get their money come from a company's profits (eg. Lloyds TSB Foundation has money from the bank's profits each year). A few trusts receive their money from public support (eg Children in Need, Comic Relief).

Each charitable trust gives money for a specific type of charitable activity in a specific area.

For example:

- some help children; some help animals
- some give internationally; some give within one small parish
- many only give to registered charities

Charitable trusts are only allowed to give money for the purpose they were set up for. So you have to choose the right one for your work, your location, and your type of organisation.

Charitable trusts vary in size. A few give out £millions and many give less than £1000 each year. On average, about 20% of applications to charitable trusts are successful.

Each trust has unpaid trustees who decide who to give grants to. They may only meet once a year. Many are too small to employ staff, so all the administration is done by a volunteer too.

To ask a charitable trust for money, it is usually best to speak to them first to find out if they would be interested in you. Then you need to write a letter or fill in their application form.

It is difficult to find out which charitable trust to apply to because there are so many. Charities Information Bureau (CIB) can help you.

## **Companies**

Companies often like to help local charities and community groups because it is good for business to be seen as a generous local citizen. Supporting the local community gets them good publicity and makes their employees feel happy about working for the company.

Companies do not usually give large sums of money to local charities and community groups. They may make smaller donations or help with fundraising events, for example donating gifts for raffle prizes or food for refreshments. They give unwanted computers or office furniture. Volunteering by employees is growing, for example with teams helping to decorate or garden.

Companies give to charities or community groups if they can see a connection with their business. They help groups who are on their doorstep or groups in which an employee is involved. They rarely respond to requests from groups that have nothing to do with their company.

## **Individuals**

Over half the adult population give some money to charity every month (on average £15.28), usually giving cash.

The most popular causes supported by individuals are medical research and children.

Registered charities can ask individuals to give through the gift aid scheme. This means that the charity can claim back from the government the tax which the individual has already paid on the money he/she is giving you. This makes a donation of £1 worth £1.28 to the charity.

Individuals also give by leaving legacies to charities and by taking part in **fundraising events**.

## **Fundraising Events**

There are hundreds of imaginative activities that will raise funds for your charity or community group. Charities Information Bureau (CIB) has an A-Z list of ideas.

You need to make sure that your event is legal. For example there are regulations about running large raffles.

Some events take a lot of work and investment to organise. You need to look carefully at how much money an activity is likely to raise and decide if the effort is worth it or the risk too great. Charities Information Bureau (CIB) can give you more advice on organising fundraising events.