

Researching possible donors and funders for your charity

The second step after making a plan is putting that plan into action.

Sadly, sustainable fundraising isn't a 'build it and they will come' situation, it is a challenging and ever-presented process that requires time and toil. But we do have some hints to make it easier and more effective.

How to find funding?

Finding funding or potential donors starts by identifying the revenue streams available to you. The likelihood of a perfect investor just landing in your lap is slim, and even if they did it's important to identify a diverse range of funding sources, so not to leave yourself exposed should the unexpected occur.

Consider a mix of the following:

- **Statutory sources** – local authority or national government grants and contracts
- **Grant making bodies** – including trusts and foundations; lottery funding and community funds
- **Corporates** – including sponsorship, mentoring or pro-bono work and payroll giving
- **Community and individuals** – including regular giving, volunteering, running fundraising events for you, legacies, membership and crowdfunding
- **Earned income** – including e-bay stores and charity shops, running cafés, selling merchandise or hiring premises
- **Events** – including sporting challenges, digital events, galas, coffee mornings and concerts.

Site	Description	Cost
Charities Excellence framework	Contains several online health-check questionnaires for your charity to review fundraising, governance and impact. You must register on the site for access.	Free
Funds Online	Contains four lists of funding sources including grant-making charities, statutory sources and contributions from companies. Run by the Directory of Social Change, which provides further resources and training on its website.	Subscription
GrantNav	General directory for charitable funding.	Free
Grants Online	Contains regional funding information, as well as funds organised by cause.	Free
Local community foundations	46 local community foundations across the UK provide support to local grassroots charities and groups. Check the UK Community Foundation website to see local support in your area.	Free
Lottery good causes	Provides information on the various lottery fund programmes available.	Free
The Heritage Funding Directory	Funding for the heritage sector.	Free

What to look for – researching charity grants and funding

Name	Name of potential funder or donor
Type	The type of potential funder that you want to approach. These include trusts, foundations, corporate funders, statutory bodies and philanthropic individuals who may be able to support your activities.
Area of interest	The potential funder's areas of interest, the fit with your organisation and the projects/activities which need funding. For example, the funder may be interested in the protection of the environment and natural heritage; promoting the arts or helping marginalised sectors of society.
Past giving	Other charities, projects or organisations that a funder has supported in the past, and what kind of grants they have awarded. The funder may have a particular track record in supporting grass root community groups or the restoration of museums and heritage buildings. Understanding what a funder likes, or has a tendency to support, will help you to work out if they are a good match for your organisation. Knowing about relevant past grants or gifts, including the amount, will also help you gain a sense of what level of gift to request.
Key people	Try to find a list of trustees, key executives or administrative staff (such as a grants manager) of a given trust, foundation or funder. These should be listed in their annual reports or provided on the given funder's Charities Commission website listing. Try to map a route to any of these through your networks to effect an introduction or letter of endorsement.
Procedure	Any key elements in the funder's application process including deadlines and any financial information or supporting materials that they require. Some may wish you to complete a paper application form (rather than online) while others have an online quiz to assess your suitability for their grants. Some funders have several deadlines per year so think about which deadline ties in best with your charity's governance process.
Important to note	Any special considerations relating to your approach to this funder or donor for a grant or gift. For example, some funders exclude capital projects or ongoing costs.
Target amount	The target amount that you will be seeking from this donor, taking their areas of interest and track record into consideration.
Next steps	E.g. set up a meeting or draft an application.