

Funding from trusts and foundations

It is estimated that there are over 8,000 grant-making charitable trusts and foundations in the UK who give approximately £2 billion in grants each year to charities.

What is it all about?

Trusts and foundations are set up for charitable purposes and most of their income is from an endowment (a capital sum of money given to them by a rich individual, family or company). The endowment may be in the form of cash, stocks, shares, or land. Examples include the Esmee Fairbairn Foundation and the W G Edwards Charitable Trust.

Other trusts are set up by businesses, with profits being used to provide grants to voluntary and community organisations (such as Lloyds TSB Foundation and Manchester Guardian Society Charitable Trust). The following steps offer a **rough guide** to applying for money from charitable trusts and foundations.

Step 1: Know your project

What specifically do you want the grant for, who will benefit and how much do you need?

Step 2: Find your funder

There are several thousand charitable trusts and foundations in the UK. Online search tools such as Greater Manchester Funding Portal, can help you to locate potential funders.

Step 3: Eligibility

Most funders will publish guidelines for potential applicants and these will help you decide if that funder is right for you, and if you are right for them. In particular you might want to look out for:

- **How much the funder will offer** - This is an obvious first filter but can easily get overlooked when doing your searches. Funders will have preferred grant amounts so make sure your project budget fits in with the funder's giving.
- **What area they cover** – Check if the funder sets geographical limits to their giving, as they are unlikely to fund a project that operates outside their specified areas (particularly for projects involving trips or holidays).
- **Type** – Some trusts and foundations focus their money on particular themes or groups of people (such as young people).

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- **Deadlines** - Check their timetables before you apply and allow plenty of time to plan for your activities.

Step 4: Make contact

Many funders will have an initial discussion with potential applicants to see whether your proposal is likely to be approved. If so, they may advise you on whether or not to go forward with an application. A phone call at this stage could save you a lot of time and energy. Not all funders welcome such contact however, so check the guidelines before calling.

Step 5: Read the guidelines

The guidelines outline everything you need to know - what, when and how to apply. Follow their guidelines and check your application carefully before you submit it. Trusts and foundations are generally oversubscribed, so they will reject applications submitted incorrectly.

Step 6: Your application

When you submit your application, make sure all the requested supporting documents (such as previous accounts or a copy of your constitution) are included in order to complete your application. You can also apply to a number of funders for the same project to increase your chances of success. However, if unsuccessful you may not be able to reapply straight away. Conversely, you would not be able to accept two offers for the same project.

Step 7: Keep in touch

Show your appreciation for any time or money that is offered and do not forget to keep in touch to update them with any achievements or developments related to their donation. They may be able to support you again in the future. If your project needs to change for any reason, let them know and request a change of use where necessary. Show them you are identifying and preventing potential problems. On completion of the project (or at the end of the grant) complete and return any monitoring and evaluation required to time.

If you are unsuccessful, don't take it personally. Trusts turn down thousands of perfectly good projects each year due to the huge volume of applications they receive. They simply cannot afford to support all of them. Gain feedback if possible and try again with another funder.

Key Words

Charitable trusts or foundations -

organisations set up to do good work including giving money to worthy causes

Endowment - a capital sum of money given to them by a rich individual, family or company

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- To register for free access to a database of funders, visit www.gmfunding.net
- Community Foundation for Greater Manchester administer a number of different funds which may change from year to year, but aim to support local projects from local organisations - www.communityfoundation.co.uk
- **The Association of Charitable Foundations (ACF)** is the UK-wide umbrella support organisation of grant-making trusts and foundations. It also includes on their website some useful guidance on applying to charitable trusts and foundations - www.acf.org.uk

**For any further information, guidance and support, please visit
www.vaoldham.org.uk**

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