

# Financing your Community and Social Enterprise

Avondhu Blackwater Partnership CLG

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# Agenda

- Sources of funding and finance available to community and social enterprises
- Implications of charitable status
- Information required to complete a funding application
- How to 'Pitch' for corporate donations
- Funding strategy versus fundraising strategy

# Sources of Funding

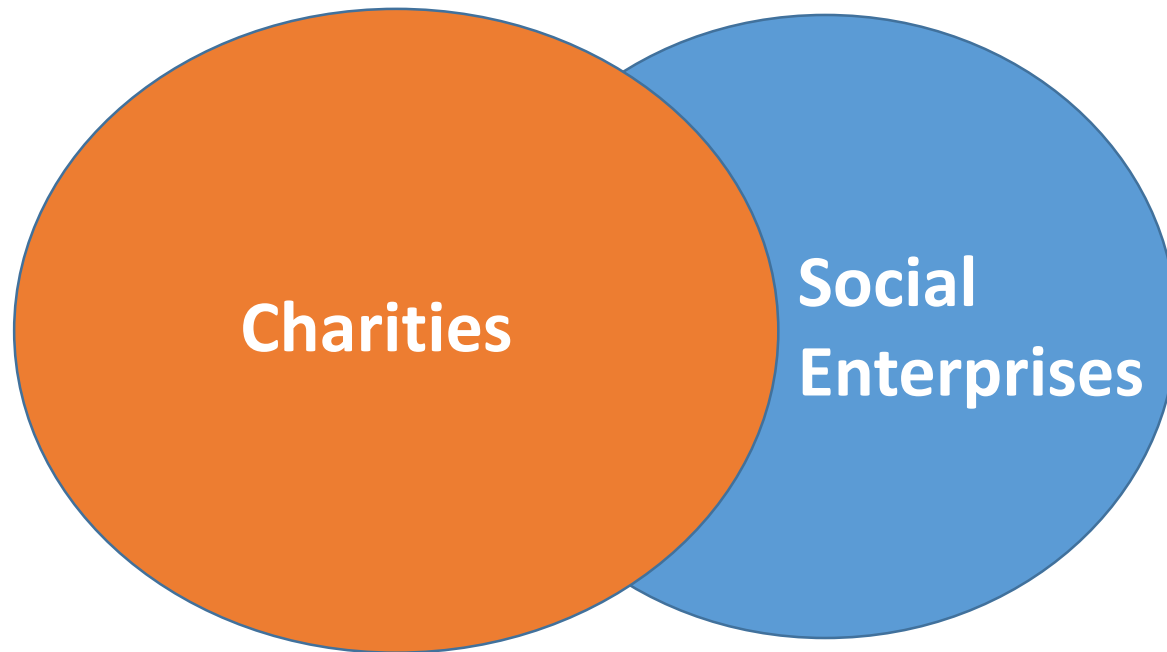
## Sources of Finance and Funding:

- Grants for service provision
- Grants for capital investment or start-up
- Bank loans or social finance
- LEADER funding
- Traded Income: goods and services
- Cash donations
- Corporate donations and philanthropy
- Memberships
- Trading Vouchers
- Benefit-in-kind: volunteer days, work placements

Implications for  
Community Groups  
and Social Enterprises?

# Implications of Charitable Status

Financial and Governance Regulations apply to charities. Charities Regulator and Revenue Commissioners implications.



- Reserves
- Reporting Standards
- Employees/Directors
- Wind-Up
- Traded Income
- Nature of Grants Sought
- Target Market

# Compiling Funding Applications

*Remember:*

- *People invest in people*
- *Provide funder with change they can believe in – outcomes and outputs*
- *Know why you need the money, why you need it now and why you can be trusted to spend it*

# Grant Application Process

1. Define problem or need – Needs Statement a critical step
2. Identify suitable grant opportunities
3. Evaluate the planned initiative with funder priorities
4. Gather the evidence necessary to write the application
5. Submit on time
6. Request feedback if application unsuccessful

# Tips for Writing Grant Applications

1. Be able to prove that the need or problem in your grant proposal is significant – Needs Analysis – Generate a Needs Statement
2. Ensure your application delivers an answer to the stated need or a solution to the problem. Your experience and ability should be apparent in the application
3. Your proposal should convey solid planning and research and if possible vision!

# Tips for Writing Grant Applications

4. Research the grant makers. Identify their priorities and applicant eligibility
5. Ensure that your aims and those of the grant makers are compatible
6. Do not limit your funding requests to one source (if possible)
7. Before completing the application, check the grant maker guidelines



# Tips for Writing Grant Applications

8. Ensure your proposal is complete, is an appropriate length and includes all required attachments
9. Ensure that your organisation's needs and objectives are clearly and concisely written and that the proposal is interesting and unique

# Tips for Writing Grant Applications

10. Cover all important criteria: project purpose, feasibility, community need, funds needed, applicant accountability and competence
11. Answer the key questions on the proposal checklist (typically provided with grant application forms)
12. Demonstrate project logic and outcomes, impact of funds and community support
13. Request feedback from the grant maker

# Project Budget

- Group budget headings under common themes
- Headings should mirror project plans
- There should be a basis for all the figures (include a notes column)
- Don't forget to account for inflation
- Remember that funders have a good grasp of costs!

# Outcomes and Impacts

*Focus on your core message!*



# Terminology - Outcomes and Impact

**Inputs:** *Resources you put in*

**Outputs:** *Services you deliver or facilities you offer*

**Outcomes:** *Changes that result from your work. The 'difference' your work makes. Show you that your aims have been met*

**Impact:** *Long-term changes resulting from your work*

# Impact Monitoring

1. How does an organisation monitor impact? - Process
2. What to do to get Staff and Board buy-in? - Motivation
3. How to articulate meaningful outcomes? – Reason for being  
How to gather impact evidence? – The paper trail

# Impact Monitoring – Gathering Evidence

- Decide what outcomes are important to your organisation and individually funded projects – relate outcomes to your aims
- Decide what type of changes would indicate that outcomes had been met and how long it would take these changes to occur
- Outcomes may relate to identifiable changes, maintaining the status quo or preventing problems
- Outcomes may relate to communities, individual beneficiaries or beneficiary organisations

# Impact Monitoring – Gathering Evidence

- Track/monitor your outcomes. Decide what information you need to collect and when information should be collected.
  - Quantitative: can you express progress numerically (indicators)?
  - Qualitative: can you assess people's views and experiences?
- Use a system to capture and collate the information you need e.g. keep records, use questionnaires, record observations, hold interviews.
- Present outcome results in an easy to read report!



# Impact Monitoring – Gathering Evidence

- In your organisation, what are the two most important outcomes you are trying to achieve?
- What indicators would show whether or not you had achieved these outcomes?
- What information do you already collect/have available about each indicator?

Example:

**Outcome:** reduction in youth crime. **Indicator:** number of young people before courts or probation services

# Pitch for Corporate Donations

When pitching a company for a corporate donation consider:

- What do you need the money for?
  - Why can you be trusted to spend it?
  - Why do you need it now?
  - What's in it for the corporate client?
- 
- **Pitch Exercise:** *Enter the Dragon's Den!*

# Funding Versus Fundraising

- Funding Strategy considers the sources of funding whilst fundraising strategy considers how you will obtain donor support



# Fundraising Plans

## **Fundraising Plans:**

- Competing events
- Revenue targets
- Logistics, volunteers, staff and all associated costs
- Marketing and PR
- One off or annual event
- Revenue spin-off e.g. merchandise, advertising
- Simple fundraising plan template for communication purposes

# Next Steps

- What steps do you need to take to increase the levels of finance available to your organisation?
- Do you have adequate information gathered to support your grant applications?

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