

Church Grants 20 Minute Masterclass



Speakers Notes: Raising money from Trust & Foundations

Click the links on the left to see additional organisational information



Top Tips can be found at the end of these notes

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Presentation

Slide 1: Church Grants 20 Minute Masterclass - holding slide

Raising money from Trust & Foundations

2: Welcome

- Introduce yourselves using the chat box
- Use the Q&A box to ask questions to the panellists
- Video link to speakers and presentation only
- Slides and video will be available at <https://www.london.anglican.org/kb/request-fundraising-information/>

Slide 3: Who are we?

- Andrew Clark, MIntsF Cert
- Matthew Lagden, MIntsF

Slide 4: What you will learn today

1. An understanding of how grant-making Trust & Foundations operate
2. An understanding of how to approach these and which ones you should be targeting

Slide 5: Terminology

Words you might hear a lot in relation to trust fundraising:

- Trust Fundraising should be a one aspect of a larger fundraising blend for your project/ church.
- The terms 'Trusts'/ 'Foundations'/ 'Grant-makers' are all inter-changeable.
- A Grant is a monetary gift that is given to an organisation
- Grants are offered either on a restricted basis or on an unrestricted basis (restricted to a specific project, or general grants)
- Grants might be solicited (directly asked-for) but some trusts prefer not to be solicited directly for gifts, hence 'no unsolicited applications'
- Grant-makers may also offer loans, pro-bono (free) support and in-kind donations of goods, services and advice.

Slide 6: General Principles

- There are over 8,000 organisations in the UK that give away money each year to other organisations usually in the form of a 'grant'. Some will offer loans and some may offer pro-bono work such as advice or expertise.

- A restriction can be placed on a grant either by
 - The applicant, because they have requested funds for a specific purpose and the grant-making organisation agrees that funds can be spent on this specific purpose thus creating a restriction.
A restriction could be quite small for example buying books for a new school library or as big as a multiple million-pound purchase of a new building.
 - The grant-making organisation who decides they want to either fund a specific part/ full of a request or places certain restrictions on the spend.
Restrictions could be for example the time frame in which the applicant can spend the grant i.e. 1-year.
- Almost exclusively grant-making organisations are registered charities themselves and are governed by the Charity Commission. Sometimes businesses give away grants and these would be governed by Companies House. Therefore grant-making organisations are under the same laws and regulations as 'regular' charities.
- "A trust's purposes and objectives are set out in its governing documents (normally a Trust Deed or Memorandum and Articles of Association {MAA})."
- A Trust's grant-making is largely defined by their charitable objectives, defined by their Deed or MAAs. For example a Charitable Trust has been established by a family who were particularly passionate about racehorses, establishing a charity that raises money and then gives away this money to causes or organisations to the benefit of 'horses' or 'race horses'. An organisation can adopt the narrowest or broadest set of Charitable Objectives as they choose which will inform their grant-making scope.
- Trusts will broadly fall into two categories either 'General' grant-making purposes which has no formal criteria and so very broad in nature or have a defined subject area for example 'health related project' or 'to relieve poverty'. Trusts can adopt as many grant-making areas of interest as they want.
- Some Trusts might have a restriction by geography, as narrow as a Town or Village as broad as a county, country or continent.
- Organisations who raise money with the purpose of giving it away each year raise this capital from several different means, for example
 - returns from financial investments
 - rental income
 - sales of properties
 - fundraising events
 - legacies/ major gifts/ endowments
 - regular giving
- Different social, political, financial factors might have a bearing on an organisation's ability to maintain or increase its level of grant-making year upon year. For example, the stock market might have an excellent year in growth producing a good return for an investing organisation, in turn receiving higher levels of dividends. This might allow a grant-making organisation to give away more in the proceeding period.

- The opposite situation of course (such as the COVID 19 pandemic) will have the reverse effect of an organisation's grant-making ability.
- Grants are normally obtained through a formal process of solicitation. This could be in the form of a letter written by an applicant, a paper application form originally defined by the Trust or an online application form again constructed by the grant-making organisation.
- Some grant-makers might clearly state they do not want to be approached by organisations for funds. This is normally termed as 'no unsolicited applications' somewhere in their accounts. Think therefore, do you have a connection to their Trustee Board which we could still utilise?
- More uncommon, but it does happen, is that Trusts take a more proactive approach in seeking out what organisations they might want to fund and have no formal open grant-making programme.
They seek out and fund organisations purely from the efforts of their own trustees.
- Grants vary massively in financial levels, ranging from a few hundred pounds to multi-million-pound awards.
- Most grants will be one-off, but some Trusts give multiple year awards, typically for 2 or 3 years which are more common for revenue projects.

Slide 7: What grants should I be applying to for my church?

Each church will be unique, so your activities, projects, vision/mission and financial circumstances will be unique to you. These different circumstances can determine what grants you can or should be applying for.

You should only be applying for a grant if the project is modest in size or is a major project and you have already raised a large chunk of the needed target. For example, Garfield Weston Foundation likes to see around 50% of the funding secured before they will pledge or give.

- Churches are fundraising broadly in two areas:
 - **Revenue:** items such as salaries, materials and items which can easily change or are non-permanent in nature.
 - **Capital:** which are things which are more permanent like a physical building or minibus. Items which are likely to last more than 5 years is usually the accounting definition.
- For either type of project a church could approach a 'Christian' or 'church-based' grant-makers or 'secular' grant makers, those with no formal religious underpinning. You can establish usually quickly this from reading their Annual Accounts or Annual Report.
- A common tripping point is that secular funders sometimes quote they do not fund 'religious promotion'. Your project might well be run by a church but have a strong community or educational focus or benefit.

Applying to these funders, in our opinion, would still be a valid exercise to do providing that the project focus can be presented to the funder as:

- Social outreach
 - Community engagement
 - Educational focus.
- There are hundreds of potential funding sources that specifically state they want to support churches or Christian organisations or secular sources with general charitable purposes or thematic areas for example 'older people' which could easily be a good match for a specific church related project. Do check out our online grant database if you have not already done so. www.churchgrants.co.uk
 - For any project, large or small our usual approach is to apply to a blend of local and national, secular and religious focused funders. This will give you a good spread of funders to go for.
 - You ideally want to achieve your fundraising target with as few as funders as possible but if you have identified that you will need several awards start to create a good prospect list for your project and start applying for your largest amounts first.
 - Getting a good % of the project funded will breed more money from other areas if it is seen to be backed by others.

Slide 8- Do your research

Parishes in the Diocese of London have free access to the Church Grants searchable database using the link: London.churchgrants.co.uk.

To carry out a free search enter the unique 4-digit parish reference number (the one used to identify the parish for the finance team) – 1234 – and then click the church/parish name from the drop-down menu. You can use this search engine as many times as you want to identify prospective grant funders for your projects.

Recent additions to the Church Grants site include funders that have made donations for work to organs, bells, and international development projects as well as for repairs, restoration, heritage, and social outreach projects.

- Because Trust & Foundations are usually registered charities, they are listed on the charity commission.
- Read through their annual accounts. Ascertain the usual level of grant they give.
- Look at who is on their Trustee Board. What other charities do their Board sit on?
- Look at their website and read their grant-making guidelines
- Get the current postal address for postal applications from the charity commission.
- Don't be afraid to call them up and talk about your project if they state that you can and/or they give a phone number.

Slide 9- What do I need before applying for a grant?

- Produce a gift table for your fundraising project and break down the amounts and number of awards that you need.
- You will need to construct a central document that explains the organisation and project you are applying for funds for - your case of support.
- You need to have a good handle on the costs. If it is a revenue project make sure you are capturing all the hidden costs in a project for example Employer's national insurance or pension contributions (connected to salaries), delivery costs or travel. Have a good think about all the costs involved to plan, delivery and evaluate the project as a whole. If it is a capital project, costings are likely to come from a Quantity Surveyor or building firm.
- It is recommended to have all relevant permissions in place before proceeding tangibly with your fundraising. You might need to get formal approval from your internal Trustee Board, Parochial Church Council or external Diocese Advisory Committee or local Council.

Slide 10- How should I approach a Trust?

- If you can, establish a warm approach with a Trust. It will save you and them time if you establish if the application/ project is a good match with their grant-making priorities. Best ways to do this is to give them a call if they list a telephone number, read through their website or Annual Accounts. Do chat with the Trust contact about your organisation and project and establish if there are disqualifying criteria.
- Ask leading questions like "what is the Trust interested to fund?", "do you have any current grant-making priorities at the moment?" This whole process is called pre-qualifying. Through an engagement with the Trust you are aligning your application to their charitable objectives and grant-making priorities, potentially increasing the likelihood of success.
- Make sure you are approaching a Trust in the application format they have requested. Some might state they only accept postal or e-mailed applications. Others might want you to complete an online application form. If they do not state assume a mailed application containing a covering letter, 2-3 sides application and latest annual accounts. You should also consider enclosing a stamped address envelope which might encourage a response back. Again, try and establish the approach from your initial engagement with the Trust.
- When writing an application, read the questions carefully and answer them correctly and succinctly.

Slide 11- Kickstarter

<https://www.churchgrants.co.uk/kickstarter>

Slide 12 – Any questions?

- Use the Q&A box to ask questions

Slide 13: Good luck!

Contact details for:

- [Parish Property Support](#)
- [Church Grants \(subscription paid by Diocese of London\)](#)
- [Parish Fundraising Support](#)

TOP TIPS:

1. Look up each Trust & Foundation on the Charity Commission. Look at their Accounts and Trustee Board.
2. Produce a gift table of awards so you know how many and at what level you need
3. Make sure you are fundraising ready: you have your costs/ case studies/ need analysis/ case of support written.
4. Create a warm approach with a Trust, find out who the Grant Officer is
5. Apply using the recommended application route.
6. Be resilient and persevere, you are likely to get 1 in 8 funded perhaps, so prepare yourself for a lot of 'Nos', but also prepare yourself for people wanting to fund you.