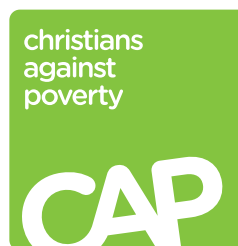


CAP's guide to funding your service



Lifting people out of debt and poverty



CAP's guide to funding your service

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Overview

There are plenty of local funding opportunities for your church, which all have a different remit for what they will fund and how they work. These range from a hundred pounds here and there, to something a little bit more substantial to really make a dent in your funding target, help you out with a new building or give you the option to even take on more projects and staff.

Why is fundraising a good thing?

- It provides the money for all of your staff to fulfil their God given calling in an exciting ministry
- We see God's provision for us; and
- We are encouraging people's generosity and helping them engage with that Christ-like element of their character.

What attitudes will help me to fundraise well?

Believe that it is good for people to give and have confidence in asking. If you feel negative about asking for money, it will show in the way you write. Remember, the core purpose of many organisations is to give away money, so you don't need to shy away from the fact that this is what you're asking for. Alongside this, you are giving people the chance to be part of something amazing – it's the opportunity that many of them have been looking for.

Be passionate about your cause. The more passionate you are about the work you are doing, the more this will shine through in your applications. You want to win hearts and minds and inspire people that your cause is worth supporting – and let's face it, you've already put enough of yourself into it, so it must be worth it!

Perseverance and resilience are key. Just one successful application will be a step towards your goal. Don't let any silence or negative responses stop you from persevering and trying as many avenues as you can.

It takes time

Funding your work takes patience and you do need to stick with it. Fundraising events can be a quick win, but to build a sustainable funding programme you have to invest time, effort, staff, resources and even finance. If you aren't intentional about growing your congregational giving and talking to your church about your vision, it won't just happen. If you don't set aside time to write applications to trusts and foundations, they won't just send money. This is very much the long game, and correlates with that advice your mother always gave you: you get out what you put in.

Church leaders, we need you

Funding, like all the other things that go on under your name, your brand and your roof requires your involvement. After all, funding is the reason you can run all your exciting projects, services, hospital visits, and not just a little bit responsible for your salary.

So, it is vital that you join in. That could be writing a bit now and again, releasing **and supporting** staff to focus on funding, or just creating a culture where your team can talk about funding needs. A congregation committed to the vision is vital, alongside ensuring your Treasurer is on board with working with each project leader to fund their initiative.

Thinking about your church

Who you need involved

Leaders: – when we consider how much Jesus addresses the subject of money, this is something that needs wise oversight, to ensure that your church has a healthy, wise and balanced focus around finance. As much as you would want this for the personal lives of your congregation, you also need it to be true for your teams and project leaders.

Trustees: – there are some key decisions to be made around funding. It is essential for you to lead on decisions around growth and funding policy, helping to regulate drive and ambition of each project leader, as you consider the overall work of the church and your strategic plans to achieve this.

Treasurer: – you pull more strings than just those on the purse. As your church thinks about social projects, there are going to be more requests for information and more need to work with those around the church. The more help you can provide from your experience the more clarity your proposals will have and, ultimately, the more money your church will receive.

Fundraisers: – the key thing for you is to keep in touch with those leading the initiatives, in order to keep your knowledge up-to-date and your passion high. You've got the know-how to raise those funds; it's just a matter of steering the energy and enthusiasm of your project leaders.

Other project leaders: – in one church with many projects it is important that you coordinate. You don't want to be competing for the same funders, or getting your congregation to pick their favourite.

What you need to hand

Your church will have some things to help you out as you are looking at funding your work. They will help you get to know about all you do (you may even discover something new), and they are often requested or appreciated by funders. All churches should have:

- Accounts
- Annual Report
- Constitution/ Articles of Memorandum

And most will have:

- Charity number
- Limited company status
- Mission statement

If you struggle to find any of these, your Treasurer is normally the person in the know. If it turns out you don't have a charity number, it is always worth finding out whether you fall under a larger organisation such as the Baptist Union, whose charitable number you would be able to use. If this isn't the case, we'd strongly recommend getting charitable status, as not only is it vital for charitable trusts and foundation applications, it will also help you to access Gift Aid from your tax paying congregation; that is an extra 25p to the pound (well worth the effort).

What do you want to do?

It may seem a little bit of a basic question, but taking the time to sit and plan what you want to achieve is a fundamental first step. Much like our CAP Money Course, thinking about finances is intrinsically linked to your priorities. Is there anything that you are doing, or spending money on that you can cut out; the unused gym membership of your church, if you will? Then, is there anything you can do cheaper? Before chasing money, it is great to ensure you are streamlined and efficient as an organisation. This can both reduce the need you have as a church and makes for a more convincing application, increasing your chances of funding.

And now for the exciting question. What would you like to do more of? Where do you want to extend your outreach? Is there a social action project you want to do more of, a new initiative, or even a building project that could give you greater capacity or bring these ministries together?

Consider the cost

Once you'd decided exactly where you are going as church, it is useful to create a budget per project (or make sure you have the budget to hand if you have already created one). It is then helpful to have an idea of an overall budget for which you are seeking funding. This could be based on your shortfall (funding gap) for the year, or your total spend on social action per year. It is also worth having a think whether you want your project budgets to match up with your accounting year or calendar year, if these are different.

Dreams

Remember that the book of Ephesians tells us that we serve a God who can do more than we can ask or imagine. Now is the time to think about those pipe dreams, the 'wouldn't it be great' plans you think about. And yes, they sit outside of your main budget considerations, but it is good to put a price on them. What would an extra £10,000 mean for your church? What would you need for that extra staff member? How much to own your own building, or build that community campus you've always wanted?

Now how could you work with God towards this? Sometimes faith looks a lot like an Excel spread sheet.

What funding will you accept?

At the outset it is also worth having a conversation amongst your leadership and congregation around what funding is right for your church. Some church's are happy with lottery funding, others choose not to accept this.

In general, CAP's advice would be that as long as the money comes with no strings attached, and can be used towards your pre-established aims with no compromise, then go for it. However, we realise that sometimes it is necessary to have a longer conversation. If you want to chat to us, or have a look at our guide to controversial funding, just let us know.

Matching the funding to the need

Congregational giving

This is your priority; encourage it, applaud it. It gives you the freedom to do things your way, with Christ at the centre. It also allows you to plan ahead and be strategic.

Solo fundraiser

Always good for a short-term injection of cash. This is normally best done by project leaders, and is great for profiling them within the church. And let's face it, we've all done plenty of these to send money overseas, so why not use them to sow into the vision at home? The funniest fundraiser I ever saw was a beard swap involving our churches eldership and deacons, complete with FA cup style beard draw to see who would end up with each beard.

Community fundraiser

If there is a defined project, particularly if it is used by the community like a mums and tots club or a kitchen that is used by a luncheon club, why not do a family fun day here and a coffee morning there to get some cash in. It is also a great way to expand awareness of these initiatives and allow those using your services to feel a sense of ownership. I've never seen youth groups respect resources as much as when they did car washes to get them.

Funding from other churches

Does your community benefit the wider church community? Do other churches or their members use it? Or perhaps like many CAP Debt Centres, your work is planting people into other congregations to be disciplined. Well, why not ask these churches to get involved financially? Especially if this is a mutual endeavour that you are driving and bearing the cost for. We see churches sharing volunteers all the time, why not finances. Remember, the apostle Paul's concern that we share with those churches that had greater costs as they were serving, and attended by, the poor.

Council funding

Your local council and counsellors have a discretionary pot, which loads of our CAP Centres have accessed. It just needs a letter and provides a good opportunity to visit and build good relationships.

Bishop's funds

Your local bishop also has a fund for his diocese. Don't worry, it's not just for CofE churches (although that helps). Your church leader probably knows them, and hopefully there are already some good relationships there. If not, why not start building them. For this type of thing, it does sometimes come down to who you know.

Funding from local trusts

If you have a one off project, something in the community, something to start up or are increasing the work you are doing in an area, then this type of funding is ideal. They are also a good idea if you are looking to subsidise some of that community funding you are doing – it would take a big coffee morning to fund a mini bus! If you are really lucky, you may even have one or two Christian funders in your area – who could fund some of your outreach. The trick with local trusts is to match the work you are doing to their objectives. There are some funds you won't qualify for and there are others you may be a perfect match for. Are you in the geographical area they fund? Great. Do they have a preference for youth projects? So

fund your youth group, not your luncheon club. Do they want to relieve poverty? Then tell them about your CAP projects and your homeless outreach, they'll be more interested in this than bums on seats each Sunday.

Going national for that capital

If you have something truly ambitious, then it is time to go beyond that area-based funding and consider some national funding. This is ideal for some big scale change like a building project. It is important to note two things though. If you are running a franchise like CAP, or Foodbank, don't forget that we have over 1,000 partners looking for funding. So a national ask isn't likely to be successful, as there would be a lot of double funding. As such, these national funders tend to fund the national organisations – and form a vital part of our funding, allowing us to resource your church with everything you need to achieve all God has called you to. So building projects are ideal for these kind of asks as our umbrella initiatives.

Umbrella initiatives

The idea of an umbrella initiative is to bring all your social projects under one roof (and budget). An example being my church in Bradford. We have a Love Your Neighbour initiative. This encompasses all the community work we do including homeless outreach, schools work and our red light ministry. Perhaps you could think about how your social initiatives fit together and create a *St John's in the community* umbrella, or a *Love Liverpool* umbrella. This allows you to combine your budget for bigger asks, and shows a broader community impact, allowing you to represent yourself more fully to certain funders.

Researching

Finding your funder

Funding Central – www.fundingcentral.org.uk

This website offers a search facility to find trusts in your area that give grants. You can set up an account for your church and create a tailored search that will bring up the most relevant trusts.

Directory for Social Change – www.dsc.org.uk

This website provides advice and sells useful resources to help you research which trusts to apply to, such as the Directory of Grant-Making Trusts and the Guide to Major Trusts. They also produce guides for other funding sources and run training days. Your local library may have resources available – ask if they have the “Directory of Grant-Making Trusts”.

Other local churches or voluntary organisations may be willing to tell you about funding sources to which they have applied to.

Your local council or county council may have a section of their website dedicated to helping local voluntary organisations, including information about local trusts. It may be hard to find, so look carefully! And, if you can't find it, you could still write your local councillor a letter.

NI Government Funding (Northern Ireland churches only) -

<http://govfundingdbni.nics.gov.uk/gfdpublic/>

Find out if your local area has a **Council for Voluntary Services (CVS)** or similar network for voluntary organisations. They will usually have information about local funding, and may also be able to give you advice about writing an application.

Community Foundations are registered charities that manage funds on behalf of some local trusts or philanthropists for a particular geographic area. They usually have clear procedures on how to apply and what the various trusts support. It's well worth finding out if there is one for your area.

Researching a funder

Time spent on research is never wasted! If you find that it is worth applying, good research will mean that you can make your application relevant and targeted to their interests, increasing your chances of success. If you find that it's not worth applying, then the time spent on research will save you spending even more time on a pointless application.

Key questions:

- What kind of projects do they want to fund?
- What are their exclusions? Be realistic – there is no point wasting your time, or theirs, by applying for funding that you stand no chance of receiving.
- Do they prefer to fund capital or revenue costs?
- How much money do they give away? What is their average grant size?
- Who have they funded previously?
- Do they prefer to fund particular geographical areas?
- Are there regular deadlines or set dates for Trustees' meetings?

You should find much of this information in the database or search engine that you've used to find funders initially. Other useful sources of information include:

Charity Commission – www.charity-commission.gov.uk

You can use this website to get up-to-date contact details for charitable trusts and other charities. You can also look at their past accounts to find out who they have funded before and how much they have given. Accounts may also have useful information such as any important changes to the funder's priorities or funding areas over the previous year.

Funder's own websites

Some funders will have a website. Those that do often include most of the information you will need to then apply for funding. You may find their web address listed in the place you found out about them, but if none is listed it is worth searching for the funder on Google to see if a website exists.

From what you have discovered, what would be the best angle to take in your application? (e.g. If this funder aims to reduce poverty, focus on how the centre will help people to get out of debt and enable them to pay the bills, feed and clothe their children, and save for the future. If the funder aims to increase financial literacy, focus on how the centre will teach them how to manage a household budget, stay out of debt for the long-term and pass on good financial skills to their children.)

Phone the funder

If a funder publishes its phone number, it is a good idea to call and make contact with the administrator or contact person. When you call, have a smile on your face and be friendly, positive and professional.

Explain what you are doing and what you want funding for. Have some simple questions to hand; for example, ask if your work would be relevant. Ask about the size of the grants, whether they prefer to fund capital or revenue costs, and when the next Trustees' meeting is. Check if there is an application form to fill in, and if so how you obtain it (it may be online, or they may post one to you).

If a funder has made their phone number public, it is usually safe to assume they are willing to be contacted with questions about making an application. It is, however, possible with some smaller charitable trusts that the person answering the phone may not be forthcoming. Don't take it personally – just ask the questions you need to and end the call courteously and promptly once they have given you an answer.

BEFORE YOU START YOUR APPLICATION – Have you checked:

- That the funder's aims match what your project will achieve?
- The funder's exclusions?
- For any application deadlines or dates of Trustee meetings?
- If the funder has its own application form which must be used?
- If the funder prefers applications to be sent by post or by email/internet?
- If the funder already funds CAP or another project in your church?
- That CAP's Trust Fund team know you are intending to apply?

General writing

General writing tips

Stop and think

You would be surprised how well you can write if you don't write the first thing that comes into your head. First, stop and think about your audience, what you want to say and how you want to say it. Then, make some notes, perhaps some bullet points and jot down some key sentences that pop into your head. Now, put that paper somewhere else. You are now ready to start writing what you need to, having processed it. So go ahead, write your letter or proposal, using all you have thought about and all you can remember. Finally, go back to those notes you made. If you left out any of the gems, work them in. However, I bet that a lot of what you wrote down isn't as good as you first thought, and that you are far happier with what you typed up.

Readability

Write in clear English, with short words, short sentences and no jargon. Your tone should be professional but friendly. You want them to respect you and take you seriously, but also to warm to your cause and be inspired by your writing.

The above sentence scored 78.9 on how easy it was to read. That means most people can access it. You can do better though. This paragraph scored 96.3 out of 100. Pretty good, I thought.

To see how you score and whether you can improve your writing to make it more accessible, just visit: readability-score.com and put your text through their filter.

Christianese

I would recommend avoiding Christianese (Christian jargon) and overused church phrases at all costs, **especially** if the funder is not explicitly Christian! Phrases/words to avoid include: fellowship, blessing, 'doing life' with people (sounds like you are serving a prison sentence), 'meeting people where they're at' (overused), 'love on people' (wrong, wrong, wrong!), 'in their world', 'needing God in a big way' etc.



Comic Title: The 'Christianese' Prayer Meeting

SearchingforGrace.com © Mick Mooney

Reflect

Reflect the language of the funder back at them where possible. So, if the funder says that 'It is our view that it is important to help people help themselves', try to incorporate this phrase when explaining how your centre works. For instance, 'our CAP centre helps people to help themselves by...'

What you DO do

Write in positives, not negatives. For instance, rather than saying 'we don't discriminate in who we help' (discriminate = negative concept), instead write 'we offer our service to anyone' (saying the same thing, but with positive language). In other words, don't tell funders what you DON'T do – tell them what you DO do!

Adjectives

'It has been wisely said that the adjective is the enemy of the noun. If we make a habit of saying, "The true facts are these", we shall come under suspicion when we profess to tell merely "the facts". If a crisis is always acute and an emergency always grave, what is left for those words to do by themselves? If active constantly accompanies consideration, we shall think we are being fobbed off when we are promised bare consideration. If a decision is always qualified by definite, a decision by itself becomes a poor filleted thing. If conditions are customarily described as prerequisite or essential, we shall doubt whether a condition without an adjective is really a condition at all. If a part is always an integral part there is nothing left for a mere part except to be a spare part.

Cultivate the habit of reserving adjectives and adverbs to make your meaning more precise, and suspect those that you find yourself using to make it more emphatic. Use adjectives to denote kind rather than degree. By all means say an economic crisis or a military disaster, but think well before saying an acute crisis or a terrible disaster. Say if you like "The proposal met with noisy opposition and is in obvious danger of defeat". But do not say "The proposal met with considerable opposition and is in real danger of defeat". If that is all you want to say it is better to leave out the adjectives and say, "The proposal met with opposition and is in danger of defeat".'

Active writing

Do you want your letters to sound active or passive – crisp and professional or stuffy and bureaucratic?

To explain the difference between active and passive verbs, we need to look briefly at how a sentence fits together. There are three main parts to almost every sentence:

- A **subject** (the person, group or thing doing the action);
- A **verb** (the action itself); and
- An **object** (the person, group or thing that the action is done to).

To give an example, in the sentence 'Peter watched the television':

- The **subject** is Peter (he is doing the watching);
- The **verb** is watched; and
- The **object** is the television (it is being watched).

With an **active** verb, the three parts appear in a particular order – **subject** then **verb** then **object**. For example: Peter (**subject**) watched (**verb**) the television (**object**). 'Watched' is an active verb here. The sentence says who is doing the watching before it says what is being watched.

With a passive verb, the order is reversed – **object** then **verb** then **subject**. The television (**object**) was watched (**verb**) by Peter (**subject**). 'Watched' is a passive verb here. The sentence says what is being watched before it says who is doing the watching.

You can see that by making the sentence passive, we have had to introduce the words 'was' and 'by', and the sentence becomes more clumsy.

The main thing to remember is that you want to be involved in the action. Passive writing distances you from something 'a mistake was made'. We want to be involved though, we want to transform lives, rather than just watch change happen.¹

The importance of stories

A good client/member/delegate quote or story can lift even the best-written proposal from being merely good, to outstanding. People respond to stories and to real life experiences in a way that goes much deeper than just a simple explanation of how CAP works. If telling a funder that CAP's service holds relationships together will inspire them, how much more impact can be made if a client can tell them in their own words that their marriage was saved because of CAP and your church?

How to collect good client quotes and stories

It's a good idea to keep in touch with those leading your CAP project, reminding them of your need for good client stories and asking them to keep in mind clients/members/delegates who you could talk to and get quotes from. It would also help you if they keep and give you copies of any thank you cards/texts/emails etc. that they get from clients/members/delegates (do check that the client is happy for their words to be used anonymously in trust applications).

Getting good quotes from a client

If you are given the opportunity to talk to a client, make sure you take notes or record your conversation. Then, write up your notes as soon as possible afterwards while it's fresh in your mind. Ask the client open questions such as 'how did you feel when...' and 'describe what happened when...' to get the best answers. Let them take their time, and be patient and reassuring – talking about personal life/traumatic times is a difficult thing to do.

Storing and referring to quotes

Keep client stories/quotes in one place once they're typed up. It may help you to include a brief summary at the top of each story for your own reference – e.g. 'female, credit card debt, went without food, became Christian'. This will help you if you're looking for a particular type of quote to back up a specific point in an application. If you have lots of different stories, it may be wise to make a simple spread sheet or database of summaries, client names and contact details, which you can refer to and search through easily.

Using quotes well

Finally, use client/member/delegate testimonies wisely and sparingly. While it has high emotional impact, you still want to ensure that your application has the necessary depth of information and detail to help the Trustees to make an informed decision. One or two well-chosen, succinct quotes will do a better job than four lengthy, vague ones. Try to pick quotes that will add depth to a point you are making. For instance, if you're writing about how your CAP centre will help people to better manage their finances, a useful quote might tell how CAP enabled the client to live on a budget and afford good food for their family. Alternatively, if you're telling them how CAP shows God's love to people and helps them to find God, you might use a quote where the member says that they came to church for the first time because of CAP.

¹ <http://www.plainenglish.co.uk/free-guides/60-how-to-write-in-plain-english.html>

Other useful information for all funding proposals

Style tips

With typed applications, use a professional-looking font (we recommend Calibri 11pt) and use only black and white text. In general, there is no need to add photos or other illustration to your funding proposal unless a funder specifically requests it.

Keep a good-sized margin around your document (at least 2cm) and break your writing into easily readable paragraphs.

Don't print your application on coloured paper – white paper looks more professional.

The difference between CAP nationally and CAP in your church

If funders ask if the charity is local or national, explain that CAP is a national charity, but that your church is applying for funding to meet your share of the costs involved with running a local CAP project (i.e. salary, mileage and office costs). It may be useful to talk in terms of franchise, as this makes a useful distinction for many funders.

You should apply in your church's name and on their letterhead, but be clear that it is specifically for the costs of your CAP project. You should be the contact person for your application, at your home/church's address.

Where details are requested for a registered charity number, number of staff or employees, or number of people you will help, you should use your church's details.

Other advice for applications

Some application forms may be sent to you as a read-only PDF file that you can't fill in on your computer. If you don't want to handwrite your application, you can set up an account with www.fillanypdf.com, upload the form and fill it in electronically.

BEFORE YOU SEND YOUR APPLICATION – have you checked?

SAE/accounts/enclosures – if the funder requests that you send audited accounts for your church, it will delay your application if you don't do so. In the worst-case scenario, they may even throw your application away if you haven't included the information requested. The same goes for a SAE – if they ask for one, make sure you send one! If the funder does not mention whether or not to send accounts, it is usually safest to send them anyway. The funder may also request things such as copies of a bank account statement or a copy of your church's constitution. If so, send them. However...

... Don't send other supporting brochures, leaflets or literature unless these are specifically allowed or requested – most funders will simply throw away anything other than your funding proposal, so don't waste your resources and their time.

Your contact details and your church's address are clearly printed on your cover letter – more is better than less on this front!

Ensure that the funder's name and the correspondent's name are spelt correctly on all parts of your correspondence. This may seem obvious, but it's amazing what mistakes can slip past without you seeing them. In fact, it's best to:

Make sure someone has read through your application to check spelling/grammar/punctuation and general readability. Proofreading your own piece of writing rarely works – you know it too well to look at it objectively. Ask someone else to check it over for you – ideally someone with good English skills themselves.

Writing an application or proposal

Cover letter

Write a compelling, clear letter. The length should be no more than one side of A4 – you can go into more detail in the funding proposal. Your cover letter should be able to stand alone from the main application with all the essential points covered in brief.

If this is a new funder that hasn't funded your project before, give a short description of the problem of debt, followed by a brief background and description of the centre. State what you are asking for and tie this in with the funder's own objectives, so they can see how funding your centre will fit their criteria. For example, if a funder wants to fund 'activities which help disadvantaged people understand how to manage their money', explain how their donation will enable your CAP centre to do this.

If this is a funder that has funded the centre before, mention this and thank them for the gift. Talk about encouraging developments in the centre (how many people have become debt free in the last year, or how many new clients you have seen) and, if appropriate, enclose a report on the centre since the last gift was received (see 'Follow up/reporting' for more about this). State that you have enclosed a funding proposal requesting a further donation.

Funding proposal: application form

Some funders have an official application form that they require you to complete in order to apply for a grant. It may be a paper form that you need to fill in by hand, a word document for you to complete digitally, or an online form. If the funder has an application form, read the guidelines first and answer questions as fully as you can. Any funder that has an established application form will, by and large, only be interested in getting the information they have asked for, so don't try to answer a different question to that which is being asked.

Here are a few more tips for completing an application form:

- If your application needs to be handwritten, photocopy the form and do a practice draft first – this helps you to avoid running out of space, or having to make corrections. Also, get someone else to check your draft for spelling and grammar before writing the final copy.
- Handwritten forms should be written with a good quality pen (not a biro) and always in black (unless otherwise specified)
- When a question has a maximum word count or a certain size box, stick to it!

Funding proposal: freeform written proposal

If the funder does not have an application form, it is likely that they will want you to write your own funding proposal. Some funders will have specific guidelines about what they want included in this, while some may give you no guidance at all. If a funder does have specific guidelines, make sure you include all the information they request.

Most funding proposals will follow the same broad structure:

Clearly state the need for your project

In the case of your CAP centre, this will usually mean detailing the problem of debt and how it affects people in your community. You can use national statistics to back this up – a good source for these is The Money Charity (<http://themoneycharity.org.uk/money-statistics>). If you can find local statistics about debt, even better, though these are much harder to come by. You can access some basic local poverty statistics on the ONS's Neighbourhood Statistics website – simply go to neighbourhood.statistics.gov.uk, and enter your church's postcode in the box on the right hand side.

Tell the funder what your solution is (how the centre helps)

Here you need to explain your church's track record in the community, how your centre started, where it works, the mechanics of how your centre will help people and why it's the best solution.

When explaining something, try to include what happens, why it happens and how it will help clients. For instance, don't just say that your centre has Befrienders – say that they provide personal encouragement and support for clients. Emphasis that this is crucial to help those who might otherwise struggle to stick to their budget or who are isolated and excluded by their debt problem.

The wider benefits

How many people you are helping, the effect CAP's service has on people (people given money management skills, children fed and clothed, suicide prevented, marriages held together, families kept in their homes). For more ideas, why not read a few client stories (or ask clients already being helped by your church) and identify the changes in their lives since working with CAP?

The need for funding/the ask

What do you want the funding for? Will you use it for a specific purpose or for general running costs? How much do you want? (It's usually best to specify an amount as it shows you have planned your fundraising and have done your research). Mention the shortfall, but also what you are doing to increase your income. If appropriate, mention other funders that you have applied to or which have already supported you – some funders like to know that you are not planning to be dependent on their funding alone.

The budget for the centre

Put together a clear, easily readable spread sheet detailing the main items of expenditure for your centre, together with the main sources of income for the centre. You don't need to go into too much detail here – just overall headings like 'travel expenses', 'salary costs' (if applicable), 'office equipment' etc. (see Appendix for an example). Show what the shortfall will be. If doing budgets is not your strong point, try asking your church treasurer/secretary to help you.

Collaboration

It's vitally important that churches work together locally, as well as with CAP to make the most of any funding opportunities that come our way.

We ask that when considering applying to a funder, you first consult with other CAP centres and projects close to you. You may find that one church is better placed to obtain funding than another due to geography, denomination or size of congregation. Alternatively, you may agree to submit a joint bid for funding for both/all of your projects. If you decide to do this, please email or call us so that we can help you with the logistics.

This is about more than CAP and more than your local church; it's unity for the sake of the Kingdom. Ultimately, this will mean that more CAP projects can get more money to help more CAP clients. If your church is really struggling for funds, please let us know, don't carry it on your own – we may be able to help in other ways.

Recording

The importance of good recording

Even before you start sending funding proposals out, it is essential to accurately record your research. Keep a record of each funder you've looked at, what they fund and if you will be eligible to apply for funding. This not only makes sure you can organise your applications well, but also means that if you either work with someone else, or if you pass on your role to someone different in future, they can benefit from your research and won't need to do all that groundwork again.

Details you will need to record

To record your interactions with funders, you can set up a simple spread sheet including:

- Funder name, charity number (if applicable)
- Address, contact number, email address, website (if applicable)
- Details of funder – what they fund and where
- History of past contact – what was sent, who sent it, when and what for
- Date/amount of grants received
- Follow up date
- Whether the funder/Trustees are Christian

It can be useful to have two different pages on your spread sheet – one for the funders you have researched/contacted and a separate one for funders that have actually funded you.

It's also useful to ensure that whichever email account you use to correspond with funders has a separate folder/category for funder correspondence (with additional subfolders, if this helps you to be well organised).

Store copies of all the applications you send (either digitally or on paper) and record on your spread sheet when you expect to hear back from them, and when you can reapply (see 'Reapplying: beyond the first year').

History of past contact

This is very important to record accurately. When you have any type of interaction with the funder – be it a phone call, a letter sent/received, an email or a visit – record what happened and when. This will help to remind you in a year or more's time, when you come back to work on a funder again, exactly what kind of relationship you have with the funder. This may include details such as their preference for contact by email/phone/letter, their level of warmth towards your cause, or whether or not they like to visit a potential project. Being able to recall all these things will help you to appear organised and professional.

Additional questions and visits

Additional questions

Some funders may follow up your application with additional questions from the Trustees, or requests for clarification of points you've made. Firstly, this is a positive thing – it means they've read your proposal and are interested enough to want to know more! Make sure you get back to them promptly with a clear and informative answer. Some commonly asked questions include:

Q: Is your service only for Christians?

A: No – we help anybody regardless of religion/race/sexuality/etc.

Q: Why do you pray for clients/don't clients feel pressured to come to church?

A: We offer to pray with clients and may invite them to church, but if they don't want to, that's fine and will not affect the service offered in any way.

Q: How are you different to other debt advice agencies?

A: We are the only debt advice agency offering a combination of home visits, a complete debt management service until people become debt free, and personal support and encouragement.

Q: Where does your funding come from?

A: The answer depends on if they are asking about your church's finances or CAP's finances. If they are asking about your church, ask your treasurer to help – if they are asking about CAP, ask the Trust Fund team for help.

Visits

Some funders may ask to visit your church before they make a decision about giving you a grant. Again, this is a positive sign! They may want to send an Administrator, or more commonly, a Trustee. It is usually well worth your church taking the time to accommodate a visit, as a good visit can be a significant step in developing a good relationship with a funder. Try (where possible) to arrange a time when the funder will see some of the daily work done by your church – you know, an exciting day when your building is in full swing.

Bear in mind that you may not necessarily be the best person to meet with the funder – indeed, if you work full-time in another capacity it may not be possible for you to meet them. We would recommend that a visit is hosted by the church leader and relevant project leader to the funding being considered, as they will be able to answer any questions the funder may have about the work. It would also be useful for the project leader to be well briefed on the funding aspect of the proposal – make sure they have a copy of the application and budget that you sent to the funder. You may also benefit from chatting with the church Treasurer beforehand to get a handle on the church finances.

If your Centre Manager can arrange for a beneficiary to be present at the visit, this may well help to give the funder an idea of the impact community projects can have on people. A suitable beneficiary should ideally be one who is friendly, can speak clearly about their situation and one who (obviously) has had a good experience of being helped by the church! Once a visit has taken place, check with those present that the funder was satisfied with what they saw and that any questions were adequately answered. If the funder requests any further information, make sure this is sent to them promptly.

Thanking

Somebody gave you free money!

So, after all your hard graft and endless letter writing, you've achieved the ultimate goal – you receive a letter/email/phone call to tell you you've been awarded a grant. Well done! First things first – **celebrate!** Tell your Centre Manager/Debt Coaches/Job Club Coach, your pastor, CAP's Trust Fund team and anyone else who will celebrate your success. This is the time that makes all the hard work worth it, so enjoy it.

Secondly, say thank you to the funder. It is **imperative** that you acknowledge their gift, at least in writing and, possibly, by phone call too (depending on how communicative the funder has been). If possible, send the thank you on the same day you receive the grant, but if this isn't practical, make sure it is done within a week at the very longest. It may sound painfully obvious, but it's amazing how many organisations don't do this. One community foundation once told us that a staggering 90% of charities they funded didn't send an acknowledgement or thank you letter **at all**. If you ensure that you are in the other 10%, it will predispose the funder to think better of your church and potentially make it easier to obtain more funding in later years.

Writing a thank you letter

Things to include

If the funder has given you a reference number, make sure you include this at the top of the letter. Also it is good practice to put at the top of the letter: **'Received with thanks the sum of £(insert grant amount).'**

The key things to mention in the main body of the letter are:

- The words 'thank you' and an expression of pleasure or gratitude at receiving the grant
- What the grant will be used for and what difference it will make to those you are helping
- When you will send them a report or update on what their grant has achieved (see the next section for more on reporting).

Striking the right tone

A thank you letter is a great opportunity to write from the heart – if you are excited, don't be afraid to sound excited. Think about the times that you have given a gift. How does it make you feel when someone thanks you sincerely and is obviously delighted by what you've given? Doesn't it make you feel better about giving the gift when you know it is really appreciated? Trustees are real people with normal, human emotions, so give them some joy through your response! Of course, you want to appear professional, so don't get too colloquial; but do be honest. Try writing the letter with a smile on your face – it may look a bit daft, but it really comes across in the way you write.

Follow Up/Reporting

Following up on a successful ask

Once you have sent your thank you letter and/or phoned the funder to say thank you, remember to do the following things:

- Pass the cheque or payment details on to your church Treasurer.
- Record how much you've received, what for and when the funder wants a report in your spread sheet. Make sure your follow up date takes into account the time it will take you to write and send your report! For example, if the funder wants you to send a report no later than one year after the date of giving the grant, set your follow up date to **one month** prior to the deadline.
- Ensure that your Centre Manager/Job Club Coach etc. knows about any additional reporting requirements the funder has. For instance, if the grant was given by a housing association and they want to know how many of their tenants are helped by CAP in the following year, make sure they are keeping a note of how many clients are tenants of that association.
- Check if the funder has given any additional conditions to the grant, such as publicising their gift through the press or mentioning their sponsorship in printed materials. If so, ensure that these things happen!

Following up on an unsuccessful ask

If you get a letter or email from a funder saying no to your application, record it and make a note of why you were unsuccessful. The most common reason given for this is the almost generic 'there were more applications than we could fund'. If this is the case, don't take it personally – simply make a note of this.

If there are other specific reasons given as to why your application was unsuccessful, make a note of this so that next year you can write a new application taking these points into consideration.

If a funder says no, but gives no reason for turning down your application, you could phone them and ask if they'd mind giving you some feedback to help you in future. However, a significant number of funders specify that they are unable to give further feedback on unsuccessful applications. If this is the case, don't waste your time by asking – simply make a note to try again next year.

If a funder tells you that your project does not fit with their objectives at all or that there is no chance they will fund you now or in future, make a note of this and don't send them any further applications.

With the majority of unsuccessful applications, you may well receive no further correspondence at all. Don't be offended by this – many funders simply do not wish to spend large amounts of time and postage costs notifying unsuccessful applicants, preferring to use their resources to fund as many projects as possible.

The importance of reporting

Most funders either require or appreciate a progress report on what they have funded. Usually, you will send this to them around a year after the grant was made. If the grant is a multi-year grant, it is good practice to send a report for each year funded – indeed, many larger funders will not send the second year's funding until they have received a report for the first year. It is important to abide by a funder's wishes in the case of reporting. Some funders require more frequent reports – if this is the case they will tell you so when awarding the grant. Some funders may also specify what information they require in a report. Some will ask you questions about certain areas of your work. In all these cases it is important that you do your best to fulfil their requirements.

Gathering information for a report

You will need a certain amount of statistics, measurable information and client quotes for a good, well-rounded report. You will be able to obtain quantitative performance results for your centre (how many clients seen, how many have become full clients etc.) from your Centre Manager, and similarly for other projects. You will ideally have some good quotes and/or stories that show the qualitative difference that your project makes (see 'The importance of stories').

Writing a report

The aim of a good report is to clearly show a funder what your centre has achieved, how many people have benefited, how the funder's money helped to make this happen, and the difference it will continue to make to people's lives in the future. You should include **at least** the first three of the following sections:

- How many people your centre has helped. It is a good idea to count both numbers of clients/members/delegates (i.e. family units) and how many individuals this includes (as a rule of thumb, multiply family units by 2.3 to find this out).
- How being helped by CAP has made a difference to their lives. For example, using a CAP Plan has helped them to pay their bills and live within a budget. Having CAP visit them at home helped them to feel safe and secure and ensured that anyone could access help. Having a Befriender gave them confidence and helped them to find community and friendship within their local church. Again, quotes can be invaluable when making these points.
- How many clients have become debt free, Job Club members have found work etc. – again, detailing the difference this has made/will make to their lives.
- How many people have become Christians – **only include for Christian funders!**
- Good newspaper or other local media coverage – scan in copies or screen grab online articles, don't send original cuttings!
- Relationships built/improved with local referral agencies and how this will benefit clients/delegates/members. Quotes from representatives of local councils/GPs/social workers etc. will add valuable external validation.

If a funder wants more information about what CAP has achieved nationally, you can ask CAP's Trust Fund team or find our annual report online at: capuk.org/i-want-help/cap-debt-help/refer-someone-to-cap.

Reapplying: beyond the first year

In general, whether or not a funder has given you funding, it is usually acceptable to send a further application for funding a year later. Some funders will specify a different timeframe, such as asking you not to reapply for at least two or three years after you have received funding. You should always make a note of this and follow their instructions, as applying for funding too soon will, at best, waste the time spent writing the application, and, in the worst case, may make the funder decide not to fund you again.

Reapplying to a funder that previously funded you

If a funder has funded you before, read the notes about previous interactions before reapplying and reacquaint yourself with the funder. When reapplying, you want to acknowledge the funder's previous support and try to maintain an ongoing relationship with them, rather than taking a 'hit and run' approach to their money. At its best, a relationship with a funder is a partnership where you each listen to the other and seek the same goals. If you can foster this kind of relationship with a funder you may find you are given access to different or discretionary funds, or even given introductions to other similar funders. Even in a world where funders follow strict criteria and procedures when allocating funds, you will still find that success can be about who you know, not what you know.

Depending on your previous relationship, you may want to phone the funder to discuss your church's suitability for further funding. It may be that a funder would prefer to give to different causes each year, or it may be that they like to support a cause regularly. This will be useful information for you when deciding when/how to reapply.

It is usually good practice to send your reapplication with your report – this saves on admin and time for you, and also gives you a great way to introduce your cover letter. You can start by acknowledging their past support and giving some highlights from your report, then move naturally on to a request for more funding – usually (but not always) to continue the same work they funded last year.

When applying for further funding for the same project, you will generally not need to explain the project in quite so much detail as you did the first time. It is still worth giving a good, brief description to refresh the Trustees' memories, but you can make your application one page long, if you take care to be succinct. This will save the Trustees time when making their decisions and hopefully save you time in writing the proposal.

Reapplying to a funder that has not given funding

If a funder did not fund you previously, it's worth asking yourself, 'Why?' They may have given you a reason why they didn't fund you – in this case, address this reason when reapplying. If they didn't give you a reason, it is quite possible that they simply had more applications than they could fund. However, there may still be something you could do to improve your chances of success. Can you make your application any more focused on meeting their outcomes? Can you put in some more inspiring client quotes? Could you better show the needs? Could you change the costs you are applying?

When you write your reapplication, you probably won't need to make any reference to your previous application(s). Simply state what you are applying for and treat it as if you haven't applied before. The only exception to this would be if you've had a conversation with the funder where they have encouraged you to reapply or given you advice on changes to make – in that case you may want to thank them for their help and acknowledge that you are making changes in light of their advice.



Pray

Pray. Before you phone a funder, before you start an application, when you are struggling to find the right words, when you are talking to clients, when you are sending a completed application, before you are visited by a funder, when you know a funder is meeting to decide on grants: pray!

Appendix – example budget

Expenditure	Year 1	Year 2
1 wages, pension, NI	£10,215	£10,726
2 mileage	£1,500	£1,620
3 office costs	£500	£500
4 phone & broadband	£850	£893
5 printing, publications, advertising, stationery	£450	£473
6 training	£1,040	£1,092
7 computer equipment	£600	£0
9 CAP partnership contribution	£6,000	£6,000
Total expenses	£21,155	£21,303
regular church income	£15,866	£15,977
A.N. Other Trust	£1,000	£1,000
Total income	£16,866	£16,977
Shortfall	£4,289	£4,326

1 Centre Manager working 3 days a week

6 includes 2 conferences and Revive days

Please note – all figures are for illustration only – do not use these in your applications!

Glossary

Application form – an official form that a funder requires you to fill in to apply for funding, giving specific information that they require to make their decision.

Budget – a simple table or spread sheet showing the itemised income and expenditure needs for your centre.

Capital costs – costs of tangible items such as office furniture, computers, printers etc.

Charitable trust – an organisation set up to make grants and donations (may also be known as a Foundation, trust fund, Bequest or similar).

CVS – Council for Voluntary Services. Organisation encouraging local voluntary groups to work together, share knowledge and expertise, and encourage best practice. May offer support, advice and resources for funding applications. May also be known as a Local Development Agency, Centre for Voluntary Action or similar.

Exclusions – projects or types of work that a funder will not fund.

Foundation – see Charitable Trust

Funding proposal – a document setting out the need for funding, usually needed when there is no official application form. Should include (as a minimum) an explanation of the need for CAP's service, how your centre meets that need, and the results/effectiveness of your centre's work. Should also include an **explicit** request for money!

Outcomes – the benefit that your project provides for users or society as a whole, e.g. increased financial literacy, improved family relationships, better mental health. Measurable outcomes are highly valued by funders when proving the effectiveness of your work.

Qualitative – results that measure or display the quality of change in people's lives

Quantitative – results that can be shown by numbers and statistics, e.g. numbers of clients helped, amount of debt being dealt with.

Revenue costs – ongoing running costs such as wages, mileage costs, office/premises rental etc.

Shortfall – the gap between your centre's guaranteed/projected income and the cost of running the centre.

Trustee – A person or group of persons who are responsible for the funder's money and make decisions about who to give grants to.