

## Fact sheet 7

### Are you fit for funding?

Before you even think of applying for funding, make sure that your organisation is ready to receive it. Funders want to know that you are capable of managing their money, that your organisation is fit and healthy, and that you have all the necessary policies and procedures in place.

#### Small pots of money

If you are thinking of applying for small pots of funding here are some basic things that you will need to have in place:

- Your community group or organisation must consist of at least three people (preferably not related), a set of rules (constitution) and a bank account in the name of the group;
- If you have been in existence for more than twelve months then you will need to have a set of accounts for the previous year or a breakdown of the income and expenditure for the past twelve months;
- If you are a brand new group then you will have to have a cash flow forecast (a breakdown of how much you think your project will cost over the next twelve months);
- You will have to plan your project and think about what you want to do:
  - Who is the project for?
  - When will you deliver the project?
  - Where will it be delivered?
  - Why is it needed?
  - What evidence do you have to show that this project is needed?
- Most groups will need to have insurance, especially if you are working with members of the local community.

You will need to have all of the above in place (as a minimum) in order to apply for small pots of funding to get your project underway.

#### Larger pots of money

As your organisation grows and becomes more established, you will need to take a more comprehensive approach to your development to make sure that you are ready for funding.

#### Is your organisation fit and healthy?

The checklist overleaf offers some basic requirements that funders are looking for. As your organisation develops and grows, you might want to undertake a full review of your organisation or focus on particular topics as you go along.

### About your group

	Yes	No	Action Required
Does your group have a Management Committee with at least 3 members?			
Is the Management Committee clear about their different roles and responsibilities?			
Does your group have a constitution or set of rules that everyone has agreed on?			
Does your group have a bank / building society account, in its own name, with at least 2 unrelated signatories?			
Does your group have a clear understanding of its aims and objectives?			
Is your group clear about the services it provides?			
Do you know what resources your group has e.g. workers, volunteers, grants, office and equipment, etc?			

**What kind of group are you?** Which legal structure does your group have? (You can be more than one of these).

	Yes	No	Action Required
Unincorporated association (not registered as a company e.g. group, club, society)?			
Registered Charity?			
Company Limited by Guarantee?			
Are you a branch of a national organisation without your own constitution?			
Other?			
If needed is there an organisation who will accept money on your behalf?			

### About your groups policies and procedures

	Yes	No	Action Required
Do you keep minutes of all committee meetings?			
Do you have systems in place to record income and expenditure?			
Do you have relevant policies, e.g. health & safety, equal opportunities, child protection?			
If you have employees, do you have Employment Policies?			
Does your group have insurance to cover its legal responsibilities?			

### About your group's funding

	Yes	No	Action Required
Do you know what you need a grant for, i.e. what do you want to do that you can't already do?			
Does your constitution say you're allowed to do this?			
Do you have a fundraising plan?			
Do you have a fundraising group?			
Do you keep records of your funding applications and any correspondence (good or bad) with funders?			
Does your group have an independent referee?			
Does your group identify a named person to act as a fundraiser?			

### Have you seen our other useful fact sheets?

- Fact sheet 1: Starting Up
- Fact sheet 2: Management Committee Roles and Responsibilities
- Fact sheet 3: Committee Meetings
- Fact sheet 4: Legal Structures
- Fact sheet 5: Constitution
- Fact sheet 6: Business Planning
- Fact sheet 8: Charities and VAT

### For further information and advice contact the CVS Development Team:

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