

# HOW?

## Understanding Charitable Trusts

Charitable trusts are bodies set up (often by people now dead) to do good. Money - capital - is invested and the income is spent each year. Trustees are responsible for the money and for how it is given away. They will be guided by a Trust Deed which sets out the "objects" of the Trust (how it operates, what its purpose is).

Charitable trusts in Britain give away something like £750 million a year. They get tax concessions on their money because they are "charitable" - the Inland Revenue has to be satisfied that they use their income for purposes that are charitable in law. *In practice this means that most trusts will only give grants to registered charities.* Other bodies, like a Council for Voluntary Service or your local church may be able to help you get money from trusts if you are not yourselves a registered charity.

On average, charitable trusts give something to one in twenty or so of the appeals they receive. Many trusts are limited as to the geographic area they can make grants to. Usually trusts give smallish amounts (even trusts with large incomes) to local appeals - £50 or £200, not thousands. And often giving by trusts is one-off and for capital, not revenue. Trusts may help you buy the sand-pit for the community centre, they're less likely to help you heat it or pay the salary of a worker.

There are exceptions. A few trusts are more interested in funding running costs or salaries of projects. But these trusts are often only interested in projects which are innovative and radical - they might fund the first law centre in England but are not interested in the twentieth, even if it's the first law centre in your area. They are not interested in people "re-inventing the wheel". They *are* often interested in projects where their money is 'multiplied' or 'stretched' so that their little goes a long way - either because it acts as a catalyst or levers out other money

Trusts don't have to publicise what they do, what sort of things they give money for, how you apply - or even that they exist at all. Some are very open

about what they do, some aren't.

Many trusts meet only once or twice a year. You may need to get applications in well in advance of meetings. Many trusts only write to successful applicants; if you want to hear from them it may be worth enclosing a stamped addressed envelope when you write.

Most trusts don't have application forms. You just write a letter. Make sure it looks as if you've written to them personally; if your letter looks like a circular it is likely to end up in the waste-paper basket.

There are a number of directories of grant-making trusts, some general (like *A Guide to the Major Trusts* or *The Directory of Grant-Making Trusts*), some very specific (like *The Arts Funding Guide* or *The International Development Directory*). There are directories for Scotland and Ireland and Wales. Local councils for voluntary service/voluntary action, rural community councils and charities advice agencies sometimes produce more local directories. The major directories are published every two years, others more sporadically. Libraries don't always have the latest edition.

It's worth spending time making sure you've got information on the trusts you intend to approach which is as accurate, up-to-date and comprehensive as possible. It's a waste of your energy and effort writing the wrong letter to the wrong funders and trusts are understandably frustrated when they receive applications from projects which fall outside of their remit.

### **Getting help**

Many councils for voluntary service/voluntary action and charities advice agencies will help or give advice to groups about writing funding applications and costings. At High Peak CVS, we are happy to offer this assistance to groups who work in the borough, and see it as part of our core role—and it is FREE. Please contact us if you wish to discuss funding issues.



**HOW?** Guides are written by High Peak CVS, for use by voluntary and community groups across the High Peak.

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## **Useful books**

There are many books written about fundraising. The Directory of Social Change publishes a large number and you should make sure you have a copy of their publications list. In particular look for:

*Avoiding the Wastepaper Basket: A Practical Guide for Applying to Grant-Making Trusts*, by Tim Cook, pub. LVSC, 2nd ed., 1998, £5.50, ISBN 1 872582 61 3.

*Fundraising from Grant-making Trusts and Foundations* by Karen Gilchrist & Margo Horsley, pub. DSC, 2000, £10.95, ISBN 1 900360 77 2.

*Writing Better Fundraising Applications*, by Michael Norton & Mike Eastwood, pub. DSC, 3rd ed., 2002, £14.95, ISBN 1 903991 09 9.

All of the books detailed above are available to borrow from our community resource library.

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## **Who are we?**

*High Peak CVS works to ensure that local voluntary and community groups can access as much support, advice and information as possible. We help groups in many different areas, such as funding, charity registration, practical services including printing, training and links to training and with legal issues. We have resources, including a meeting room, computers and OHP for use by groups.*

***To find out how we can help you, please contact us on 01663 735 350 or email [hello@highpeakcvs.org.uk](mailto:hello@highpeakcvs.org.uk) Visit us at [www.highpeakcvs.org.uk](http://www.highpeakcvs.org.uk)***