financehub

Introducing Funding and Finance

For voluntary and community organisations

Pocket-sized edition

ncvo

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Contents

About this guide

Welcome to a pocket-sized guide designed to introduce voluntary and community organisations (VCOs) to the range of available funding and financing options.

This guide provides an overview of the information contained in the *Introductory Pack on Funding and Finance* and accompanying *Toolkit for Funding Advisors*. These resources were commissioned by the Finance Hub from NCVO's Sustainable Funding Project. The resources aim to provide VCOs with practical information, support and guidance to help them in their search for long-term financial sustainability.

The areas covered within the *Pack* and *Toolkit* are:

1. Sustainable Funding
2. Financial Management
3. Fundraising
4. Trading
5. Procurement and Contracting
6. Loans and Other Forms of Finance

Full-text versions of the material covered in this guide, including tools, case studies and signposts to resources, can be found in the complete *Pack* and *Toolkit*. Copies can be downloaded from the Finance Hub website at www.financehub.org.uk or NCVO's Sustainable Funding Project website at www.ncvo-vol.org.uk/sfp/Introductory-Pack

Acknowledgements

This guide provides a snap-shot of resources that have been developed by experts in voluntary and community sector funding and finance with input on design and presentation from front-line funding advisors.

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Guide to symbols and abbreviations

This guide uses the symbols shown below. These are designed to help readers navigate through the text.

Good practice tips

Exercise to complete

VCO = voluntary and community organisation


ONE POUND

Introduction

Funding and financial sustainability are a top priority for all VCOs whether just starting out, or having been in existence for a number of years.

It is not enough for VCOs to be doing ‘good work’. To ensure such work continues and beneficiary needs are met VCOs need to consider how they will fund their activities, and keep on funding them into the future. Obtaining funding can involve anything from applying for grants and implementing traditional fundraising methods, to starting to trade or delivering services under contract. There are also opportunities for using loans.

This guide outlines what is meant by ‘sustainable funding’ and provides an overview of the funding sources available to VCOs. Also included are a number of exercises to help organisations consider their options.

What is sustainable funding?

Sustainable funding is about ensuring the ongoing viability of an organisation. Sustainability is about much more than simply obtaining money.

Sustainability requires effective planning and robust financial management together with an understanding of what funding and income opportunities are available and a willingness to diversify into these where possible. It also involves building organisational skills and capacity to ensure the best and most effective use of resources.

Good practice for sustainability

Plan effectively – knowing where you want to be in three, five or ten years time will help you understand the type and amount of funding needed.

Diversify income – avoid relying on any single funding source to ensure work continues if and when one income stream dries up.

Develop organisational skills – this will help you to access and manage new income sources and build capacity more widely.

Fund appropriately – the kind of funding or finance your organisation needs depends on what it does; who it does it for, and how it plans to develop in the future; use the right income source(s) to drive development at the right time.

Exercise one – Where are you now?

The information contained in this guide will help you to review your current income streams and assess whether a more diverse funding approach could benefit your organisation and your beneficiaries.

Before considering what funding, finance and income opportunities are available, spend a few minutes considering where you are now. Copy-out and complete the table opposite to see where your funding comes from now and how reliant you are on each source.

Income stream	Number of providers	Funding length	Amount £	Level of Dependency		
				Low <10%	Med <50%	High <50%
Donations						
Individuals						
Private sector						
Grants						
Trusts and Foundations						
Public sector agencies						
Private sector						
Contracts/Service Level Agreements						
Voluntary organisations						
Public sector agencies						
Private sector						
Trading						
Individuals						
Voluntary organisations						
Public sector agencies						
Private sector						

How planning links to funding

Planning should be the cornerstone of everything an organisation does. Before thinking about money organisations need to decide what their mission, aims and goals are and plan how they will be achieved.

Only when an organisation knows what it wants to achieve, and has planned accordingly, can it decide which income streams are most appropriate, and begin working to obtain them.

Good practice with planning

Involve everyone within the VCO in the planning process – this will ensure you have buy-in from everyone and that key decisions are informed by on-the-ground understanding.

Understand your internal and external environment – knowing what's on the horizon is the first step to dealing with potential problems and identifying future funding opportunities.

Make business plans accessible – ensure written plans contain information that is both proportionate and relevant to your course of action and that everyone knows what those plans are.

Exercise two – How are you doing?

Use this exercise in a team meeting or staff or Board away day. It will help you understand where your organisation is now – what 'strengths' it can build on and what 'weaknesses' can be improved. It will also help you consider the environment in which you operate – the 'opportunities' and 'threats' which will impact upon future development.

Knowing where you are now and where you want to be, together with an overview of your current funding situation drawn from the previous exercise, will help highlight the suitability of each of the income options described in the pages which follow.

Use a flip chart to capture information under these four headings:

Strengths – What do we do well and have working in our favour?	**Weaknesses** – In what areas is our performance not so good?
Opportunities – What trends or changes in the external environment could we take advantage of?	**Threats** – What trends or changes in the external environment could have a negative impact on us?

- Consider what is really important – high priority issues.
- Consider the implications – what does it mean for the organisation and users?
- Consider how positives can be accentuated and negatives minimised.

Why good financial management is important

Financial management is about ensuring appropriate levels of funds are available when needed and that they are obtained and used in the most efficient and effective way.

Financial systems are the tasks and procedures by which an organisation processes its monetary transactions and creates its financial records. Financial management is the use of this information as a management tool to help inform day-to-day running and future planning.

Every VCO needs to value and practice effective financial management. This requires planning and the set-up and implementation of workable systems, policies and procedures which can respond to, accommodate and overcome the financial challenges that it may face. These stretch from managing day-to-day cash flow to ensuring the organisation is fully and properly paid for the work it does (achieving what is known as ‘full cost recovery’).

All staff and Trustees (not just those directly responsible for finance) should understand basic financial procedures. This includes involving finance staff in the wider planning process. It is especially the case for organisations with volunteer or part-time finance staff who can end up viewed as ‘the person who comes in to do the books’ and consequently isolated from the organisation’s day-to-day running and management.

Divorcing financial management from wider organisational planning and management can lead to less effective use of resources. Worse still, it can lead to funding problems that, had they been planned for and effectively managed, could have been avoided.

Good practice with financial management

Get professional support – finance systems like bookkeeping, accounts management, registering for VAT etc should be informed by financial expertise (e.g. qualified accountant or advisor) and follow standard procedures.

Establish financial systems as early on as possible – these can evolve as your organisation grows, but getting systems in place early on means everyone understands how finances should be managed and what their responsibilities are.

Use financial reporting as a management tool – monthly accounts and budget reporting can and should be used to identify arising issues and the need to take action to mitigate any problems now or potentially in the future.

Communicate financial status to stakeholders – even if you don't produce an Annual Report, sharing end of year accounts with staff, volunteers, beneficiaries and funders demonstrates accountability and is an opportunity to celebrate key achievements.

Exercise three – Develop a financial strategy

VCOs can help themselves to manage and prepare for future funding needs by developing a 'financial strategy'. This is a plan that considers what your organisation wants to achieve and identifies what funds it will need, where they will be sourced and if any new finance systems are required to manage these effectively (e.g. deciding to register for VAT as a result of delivering services under contract). Having a financial strategy will help you plan and understand exactly what kind of funding your organisation needs.

This exercise will help you draft initial ideas for your own financial strategy. Any or all of the Trustee Board, Chief Executive, finance officer, and senior managers should be responsible for developing the strategy.

Consider your answers to the previous two exercises. For example, looking at how diverse your income is may have highlighted a need to consider new income streams. Exercise two should have highlighted potential future development areas and may in turn indicate a need to consider widening or increasing funding. Now consider the headings opposite and try to answer the associated questions. Start by jotting down initial ideas, then go back and try to expand on them, possibly after discussion internally.

Where are you now? – What are your current financial commitments and objectives? How has development been financed to date and has this been successful, is it still appropriate?

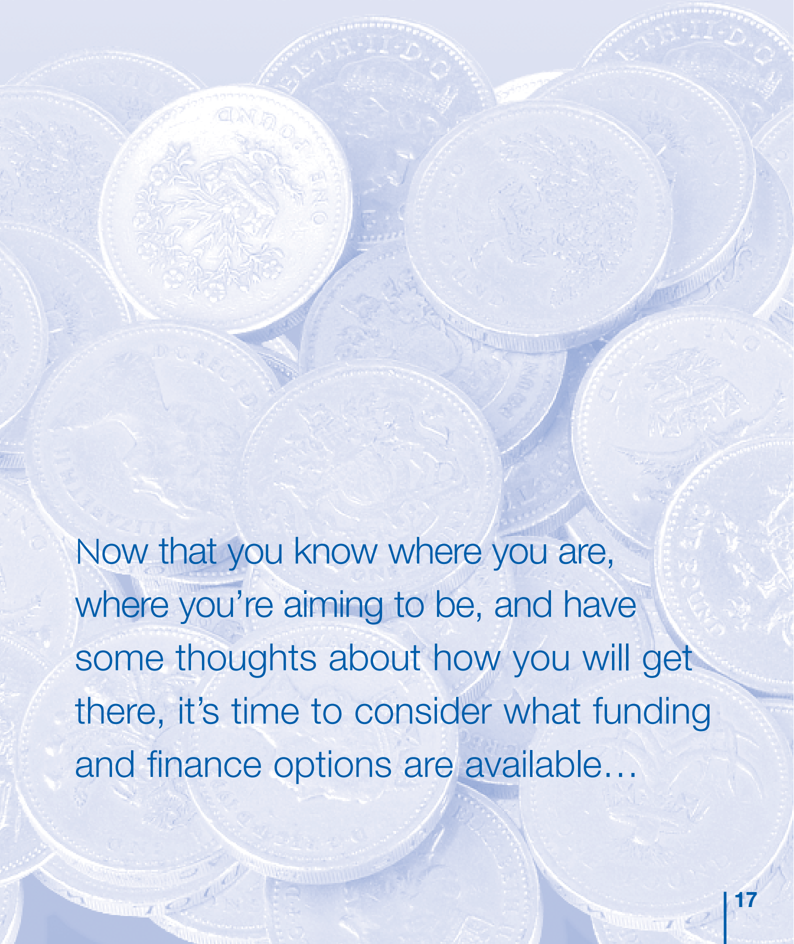
What are your plans for the future? – What does your VCO want to achieve and what financial resources are necessary to meet these objectives?

How much it will cost? – How will your VCO finance its plans? How much is needed? Where will the finance come from and how? What allowances should be made for contingencies?

How will you manage the process and minimise risks? – What are the risks within the finances and how will these be managed?

Are financial and other organisational strategies integrated? – How will your financial strategy be implemented, communicated and support other plans and overall aims?


ONE POUND



Now that you know where you are, where you're aiming to be, and have some thoughts about how you will get there, it's time to consider what funding and finance options are available…

Fundraising

The principle of fundraising is to raise money by asking for it. This might be from individual donors (e.g. through street collections, events or appeals), private businesses (e.g. through sponsorship), or grant funders (e.g. Big Lottery Fund, Esmée Fairbairn Foundation).

Fundraising should complement a VCO's primary objectives and, ideally, should combine raising funds with effective promotion of the organisation. VCOs also need to ensure the ongoing integration of fundraising plans with wider organisational plans – so that money raised matches organisational need in terms of type, size, duration and appropriateness.

There are many ways to raise funds, from collection boxes, raffles, events and sponsorship, to legacy donations and applying for grants. A key skill of fundraising is communication. Good fundraising requires being able to show donors how their gift will enable a VCO to meet the needs of its beneficiaries, or for grants that delivery will meet funder objectives.

Everybody involved in fundraising needs to have an excellent understanding of the cause. For smaller VCOs, the lines between fundraiser and service provider may be blurred and, in many cases, will be one and the same person. In such organisations the individuals responsible for fundraising are in a unique position and have a real opportunity to ensure integration between fundraising and their organisation's objectives.

Good practice with Fundraising

Always plan – effective fundraising is planned not rushed; this helps you develop a range of activity, manage time and resources, and fundraise before need becomes critical.

Think about how fundraising complements charitable activities (e.g. £10 will buy a child food for a week) – donors often give to help solve a particular problem.

Research donors and funders – knowing an individual is committed to a particular area can help you to gain their interest. Knowing what areas a funder will and will not fund saves precious time on wasted applications and provides a firm basis on which to build a case for giving to you.

Follow grant application instructions – applications often fail simply because people submit the same blanket application they sent everyone else, find out what a funder actually wants to know and answer appropriately.

Communicate effectively – telling donors about a VCO's work and thereby encouraging them to engage and give is fundamental to success.

Fundraising might include:

- Collecting donations.
- Applying for grants.
- Approaching businesses for sponsorship.
- Running a raffle or lottery.
- Hosting a fundraising event.

Exercise four – Convince donors and funders to give

A good fundraiser shows donors how their gift will help beneficiaries. For this reason it is a good idea to prepare a 'Case for Support' before starting to fundraise.

A general Case for Support statement includes all of the key information that needs to be communicated to a range of donors. It will help you to plan a convincing argument for why someone should support your cause, consider the time and resources involved and map out a clear strategic approach to raising money.

Use the following headings as prompts to develop a fundraising Case for Support for your VCO.

An effective Case statement is concise, coherent, motivating and explains:

- About your VCO and its activities – include mission statement.
- The level of need and why it is important – describe the situation, use facts and figures.
- The objectives of the appeal – explain how beneficiaries will be helped.
- Your VCO's history or recent successes – illustrate why it is best placed to make a difference.
- What would happen if the appeal failed? – try to paint a picture.

- How much money are you trying to raise? – and over what period of time?
- Stress the urgency – and break total sums into smaller amounts.
- How will the donor make a difference? – show how a potential gift will translate into a tangible benefit.

Good practice tips

- Focus on benefits, describing what your VCO does and include examples to illustrate.
- Use clear and simple language.
- Check any facts used are correct.
- Include information explaining what donors need to do to make a difference (e.g. give £5 per month).
- Share the Case for Support with everyone and seek feedback.
- Regularly review and update the Case for Support.

Using a Case for Support

Once you have written your Case for Support, use it as a basis for preparing fundraising materials, adapting it to suit audiences and the method that will be used to communicate with donors and funders.

Earning income

Earned income is an important source of funding for the UK voluntary and community sector. Earning from trading on the open market or delivering services under contract now accounts for nearly half of the total income of the sector, outstripping all income from grants, gifts and donations. This represents a major change in how the sector is funded.

Earning income is sometimes referred to as ‘social enterprise’ activity. It can be divided into ‘trading’ (selling on the open market) and ‘contracting’ (tendering to deliver goods and services under contract).

There are similar issues to consider whether contemplating earning from trading or contracting (for example, costing, pricing and marketing). The key difference with contracting, particularly if with a public sector agency, is the need to engage with a formal ‘procurement process’ (the steps involved in purchasing goods or services from an external provider).

Of course, earning is not necessarily for everyone but, where viable, it can help organisations to avoid reliance on time-limited funds such as grants and donations and, in the case of trading, provide unrestricted funds in contrast to ring-fenced funds. The following two sections discuss earning from trading and contracting in turn.

Trading

Income generated through trading goods or services on the open market can be a valuable source of unrestricted, independent income and a real contribution to supporting organisational independence and growth.

Trading involves considering what goods or services an organisation might charge for in order to generate income. This might include selling publications, providing training, renting space, running a transport scheme, offering crèche provision, and much more.

Making a success of trading means addressing practical issues such as assessing the viability of ideas, business development and planning, recruiting suitably skilled staff and, depending on the scale or trading operation, deciding whether to keep activities in-house or create a separate trading subsidiary.

Developing a trading idea will almost certainly require some level of investment in resources to enable training for staff purchase of equipment or materials, and capital to finance the set-up period. Investing in developing new skills for trading can also be more widely beneficial, building capacity and creativity throughout an organisation. Organisations typically finance this and other investment needed to begin trading through one-off grants, loans or organisational reserves.

Any organisation can trade. What varies is the scale, scope and nature of the product or service sold. The key to success is identifying a potential market and a product that people will purchase. Trading can be small-scale (e.g. selling posters or education packs), or large scale (e.g. setting up a separate trading arm to manage a consultancy or training service); but whatever you choose, plan, pilot and evaluate before launching on a large-scale.

Good practice with trading

Don't think of trading as a quick fix – developing trading ideas can take from six months to several years, depending on the type of activity. Organisations considering trading need to have sufficient resources in place, or be planning how to get them, as part of the development phase.

Ensure your VCO wants to do it – trading may challenge accepted ways of working. Planning for trading needs to involve everyone and may require changing hearts and minds in addition to adopting new working processes.

Focus on charitable purpose – earning from something which also contributes to the aims of your organisation benefits everyone (e.g. a children's charity selling crèche places). Unrelated trading is fine if well managed, but don't get distracted from core mission.

Build capacity – investment in skills training and equipment may be needed as part of developing a trading idea, but remember this will benefit the VCO more widely.

Seek professional advice – you may require specialist support on setting up a trading arm or registering for VAT. These are complicated issues, so get advice from a professional (your local Council for Voluntary Service can signpost you to one).

Trading might include:

- Running a shop or catering service.
- Training and mentoring.
- Consultancy, feasibility studies or research work.
- Hiring office or meeting space, or equipment.
- Office services, e.g. anything from photocopying to payroll.
- Selling skills, knowledge and expertise developed in-house.
- Launching a membership scheme.

Contracting

The delivery of services under contract is a growing area for VCOs, with many now recognised as key providers.

Procurement is the purchase of goods and services from an external agency. Contracting is what follows when a bid or tender is successful; it is the process of entering into a legal agreement with a purchaser to provide goods or services.

A major proportion of the voluntary and community sector's contractual work is carried out on behalf of the public sector in the delivery of public services. Opportunities also exist to provide services under contract to private businesses or other VCOs and should be investigated. If you can find a potential purchaser, then contractual income can be a means of sustaining and expanding a service initially piloted using grants or donations.

A standard route to contracting is that a public sector agency will put out an 'invitation to tender' specifying what service it needs. If a VCO wishes to offer its services it will need to prepare a formal offer known as a tender which describes how it will deliver those services and what it will charge. Some public sector agencies ask providers to complete a pre-qualification questionnaire before tendering. This is to assess technical and financial ability to provide the required services.

Delivering services under contract is potentially open to any VCO, but may be easier for some than others, depending on the work they do. For example, social care and health provision have long been funded under contracts whereas some work areas, like offender rehabilitation, are relatively new contractual areas for VCOs. The decision to enter into contracts needs to be informed by a clear understanding of organisational mission and objectives, capacity and skills to tender a bid, and consideration of whether delivering a service under contract will help meet beneficiary needs.

Good practice with contracting

The steps involved in trading also apply to contracting. Other specific issues include:

Remember, the public sector is not a single entity – it is a series of sub-sectors including government departments and agencies, Primary Care Trusts, Local Authorities, colleges and others, each with their own approach to procurement.

Develop good relationships with purchasers – it is essential to research public sector agencies when considering contract working. Introductory meetings with relevant procurement officers and building relationships can be invaluable to finding out about tenders and what they are looking for.

Ensure you are happy with any contract – don't be pressurised into accepting unreasonable criteria or unacceptably low fees; good negotiation skills are essential when pursuing contracts.

Services delivered under contract might include:

- Meals on wheels.
- Care for the elderly.
- Health treatment or therapies.
- Transport schemes.
- Community childcare facilities.
- Recycling schemes.

Exercise five – What's your attitude to enterprise?

If you think earning income from trading or contracting might be an option for your VCO use the following exercise to discover what everyone else thinks...

The outcome will highlight your own and colleagues' assumptions, hopes, ambitions and prejudices in relation to trading and contracting and may highlight groundwork needing to be done before starting to earn.

Copy-out the words opposite on separate pieces of card. In a group (this might be with Trustees, CEO, staff, volunteers or beneficiaries, together or separately) ask everyone to very quickly sort the cards into those they feel happy with and those that cause them discomfort or hesitation. Spend around 30-40 minutes discussing the reasons behind people's thinking.

- Some people will agree, others have differing views.
- The point is for everyone to understand the importance of shared belief and support for developing new initiatives – differences of view may exist, the key to discovering whether or not earning is for you is to find out whether objections can be overcome and new working methods adopted.
- Typically it's change people fear, not the end in itself, so discussing views openly and providing more information where needed to help people understand what it is you want to achieve can help get people on board.

Risk	Competitive	Win
Competition	Profit	Opportunity
Price	Capital	Business
Afford	Undercut	Expensive
Income	Investment	Spare cash
Exploit	Mission	Assets

Loans

Loans are not an income stream, but a financial enabling tool. They can help VCOs in various ways.

Loans may be an option to improve cash-flow, to bridge gaps between receipt of grant payments, where a large sum of money is needed (e.g. to purchase a property), or to enable projects to move forward during the time taken to raise capital from more traditional fundraising methods. They can be particularly useful in situations where waiting while money is raised will mean an organisation misses a valuable opportunity.

Loans usually provide some flexibility in how the money is used (unlike grants which are tied to specific project outcomes). Furthermore, loans encourage business planning and thinking beyond the short-term (a frame of mind often encouraged by time-limited grant funding). Loans require a degree of financial discipline, but this can also be more widely beneficial for organisations.

New contract or trading activity is often enabled by loan finance. This is because expanding to take on contractual work, developing trading initiatives, or simply increasing the scale and scope of an organisation's work often requires investment (e.g. to train staff in new skills, or purchase equipment).

There has been a recent growth in the development of loan finance initiatives aimed at VCOs. Loans are now available from both high street banks and providers who have emerged specifically to meet the needs of VCOs, such as Charity Bank and Futurebuilders England.

Such sector-specific lenders are good at assessing the risks of lending and investing. They invest after careful assessment and to VCOs that they believe will be able to use and manage loans effectively. Some lenders may offer support to help organisations prepare for a loan.

Loans are not suitable for every organisation at all times. But, where conditions are right, they can have a tremendous positive impact.

Good practice with loans

Don't let the constitution become a barrier – you may need to amend your constitution or legal structure to allow the organisation to take out a loan. This should not be seen as a barrier to obtaining finance but part of the preparation process. Some providers can offer advice and support on this.

Investigate different providers – in addition to high street banks a range of providers now exist who understand the needs of the voluntary sector. These include Charity Bank, Futurebuilders and other Community Development Finance Institutions (CDFIs).

See www.cdfa.org.uk for details.

Ensure sound financial systems are in place – loans require financial discipline and the ability to budget and plan ahead to ensure repayment requirements are met.

Plan for repayment – loans are suitable if you will subsequently have access to income from which the loan can be repaid. This may come from contractual work or trading, from major fundraising or, in the case of a bridging loan, simply when the expected funds arrive.

Uses to which VCOs have put loans include:

- Managing cash-flows and grant income cycles.
- Managing lead times between producing goods and services, selling these goods and services and receiving cash for sales.
- Kick-starting new ventures or projects.
- Organisational growth and development.
- Purchasing equipment.
- Renovating or fitting-out a building.
- Purchasing property.

Exercise six – Are loans for you?

Thorough preparation is required when considering applying for a loan. This involves developing a business plan which sets out what the loan is needed for, considering how repayments will be made, and building a case explaining why the money is needed – this will be similar to the sections required in a fundraising Case for Support (see p.20).

- Use the checklist overleaf to help decide whether your organisation is ready for loan finance.

- If you answer ‘yes’ to all then loans are an option. If you answer mainly ‘yes’ then a loan may be appropriate, but you may need to undertake further work inside your VCO beforehand (e.g. convince Trustees) or seek support (e.g. legal advice).

- If you answer mainly ‘no’ then a loan may not be an option right now. However, do not dismiss loans because they may well be right at some point in the future.

Checklist for loan finance decision-making

	Yes	No
1. Have you prepared a business plan?		
2. Will the project make a surplus after loan repayments?		
3. Will the project allow more beneficiaries to be helped?		
4. Does your governing document give the power to borrow and pledge assets?		
5. If no to 4, have you consulted the Charity Commission, or a solicitor, and agreed your VCO can undertake borrowing?		
6. Are staff happy with the idea of using loan finance?		
7. Does your VCO have the expertise to manage a loan?		
8. Are trustees satisfied that repayments can be made?		
9. Have you identified appropriate lenders?		
10. If the lender needs a charge on any of your organisation's assets as security are the Trustees aware of this?		
11. Do you know whether any information is required throughout the term of the loan?		
12. Have trustees taken specialist advice, where necessary, on the terms of the loan?		

And finally…

Remember, sustainability is different for each organisation

There are no magic answers to becoming sustainable, no simple solutions and no pots of gold – every group and organisation is unique. Although there are no guarantees of survival, applying the principles of sustainable funding – planning effectively, avoiding reliance on one source of funding, building organisational skills and capacity, and choosing income streams that are appropriate for the work a VCO does and the goals it wants to achieve – goes a long way towards it. Sustainable funding is about exploring all the available options and working out which are the right ones for your organisation.


ONE POUND

Key words and phrases

Budget – a quantitative statement, for a defined period of time, which may include planned income, expenses, assets, liabilities and cash flows. A budget provides a focus for the organisation and helps the coordination of activities and facilitates control.

Case for support – statement setting out reasons why donors should give.

Community development finance institutions (CDFIs) – new financial agencies for social, economic and physical renewal in under-invested communities. They lend and invest in areas and markets that cannot access mainstream finance from banks. They are sustainable, independent organisations providing financial services with two aims: to generate social and financial returns.

Contract – a legally recognised and enforceable promise, or set of promises made between parties. An agreement setting out the arrangements whereby one party provides a service (or goods) to the other in return for payment.

Donor – an individual, group or organisation that gives a gift (usually money but can be goods or services) to a VCO freely.

Financial strategy – a plan that sets out how an organisation will finance its development, identifies what funds are required, and from where they will be sourced.

Full cost recovery – funding, or ‘recovering’ the full costs of a project or service, where the full costs of a project or service equal the direct costs of the project or service plus a relevant share of all overheads.

Income diversification – having a range of income sources so as to avoid reliance on any one of them.

Procurement – the purchase of goods and services from an external agency.

Social enterprise – trading for a social purpose, pursuing a double-bottom line of social as well as financial benefit. The term ‘social enterprise’ is also used to describe businesses with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or the community.

Tender – written bid outlining a supplier’s plan of how to deliver a piece of work, service or supplies. Exact contents will be determined by the requirements outlined in the service specification. It must demonstrate how a supplier will meet these requirements.

Value Added Tax (VAT) – a tax collected by HM Revenue and Customs charged on supplies of goods and services.

Further resources

Charity Commission for England and Wales – provides free guidance on all matters relating to improving charity financial management.

See www.charity-commission.gov.uk

Community Accountancy Self Help (CASH) – provides excellent online fact-sheets explaining how to set up and implement key financial procedures. Financial advice and training is also available.

See www.cash-online.org.uk

Community Development Finance Association (cdfa) – website carries regular updates on the latest information from the CDFI sector including a full member directory of organisations that provide loan finance.

See www.cdfa.org.uk

Compact – guidance laying down terms for engagement between the voluntary sector and government.

See www.thecompact.org.uk

Finance Hub – one of the National Hubs of expertise delivering to the Government's ChangeUp programme to create VCOs which are effective and independent because they are financially sustainable.

See www.financehub.org.uk

Institute of Fundraising – professional and membership body for fundraisers and fundraising organisations in the UK. It provides information and advice on fundraising.

See www.institute-of-fundraising.org.uk

Office of Government Commerce – website provides useful information on contracting including a step-by-step guide through the public sector procurement process.

See www.supply2.gov.uk and www.ogc.gov.uk

Sustainable Funding Project – helps VCOs to explore and exploit the full range of funding and financing options.

See www.ncvo-vol.org.uk/sfp

Publications

Bates, Wells and Braithwaite and Social Enterprise London (2003) *Keeping it legal: legal forms for social enterprises.* Available from www.bateswells.co.uk

Copeman, C et al (2004) – *Tools for Tomorrow – A practical guide to strategic planning for voluntary organisations*. London. NCVO.

Full Cost Recovery: A Guide and Toolkit on Cost Allocation (2005) London. New Philanthropy Capital and ACEVO. Designed to help VCOs calculate the full costs of their projects and services. Available from www.acevo.org.uk

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The Finance Hub is delivering to the Government's ChangeUp programme to create voluntary and community organisations which are effective and independent because they are financially sustainable.

NCVO's Sustainable Funding Project encourages and enables voluntary and community organisations to explore and exploit a full range of funding and financing options to develop a sustainable funding mix.

The Sustainable Funding Project
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