

Funding Jargon Buster

This information sheet will give you information about how to understand key terms relating to funding, fundraising and the financial information associated with this.

Aims The overall goal of your project or organisation

Assessment The process a donor uses to check your funding application

Baseline A measure of where your project is starting at before you undertake any work. Often organisations use a baseline measure at the start of a project, and an end measure at the end so they can see the change their project has had on their beneficiaries

Beneficiaries The people your organisation helps. Can also be known as clients, users, service users, participants

Budget A financial plan showing projected income (money coming in) and expenditure (money going out) for the year ahead

Business Plan A written document stating what an organisation is proposing to do over the next 2-5 years, how it will do it, and a forecast of income and expenditure

Capacity Building Developing the capabilities, skills and knowledge of individuals or groups so they can progress

Capital Funding One off costs such as purchase of equipment or building

Charitable Trusts and Foundations Also known as Grant making trusts or foundations, these are bodies which are set up with an amount of money to benefit people or charitable activities. The money held by a Trust is normally invested and the income generated is awarded as grants to good causes

Child Protection/Safeguarding Policy A clear and concise policy showing the group's commitment to protecting children. It shows that the group takes child protection seriously in all aspects of its activities. Also known as Safeguarding

Commissioning The process whereby a statutory organisation (like Bristol City Council) issues details of what services they want to pay for and then assesses the best bid to meet those needs.

Constitution A document which sets out rules on how an organisation should operate in order to meet the requirements. It states the aims, purpose, powers of the groups and gives the group a framework within which to work. Also known as a **Governing Document**

Core Funding An organisation's money that covers running costs and overheads. The costs you must meet in order to keep going.

Delivery Plan Outlines a project or organisation's work into a series of stages to achieve specified outcomes

Donors Individuals who give or raise donations

Equality and Diversity Policy Written document which shows the group's commitment to non-discrimination in all aspects of society

Evaluation An assessment to see to what extent the objectives of a project have been met, how effectively they were achieved, and what can be learned and applied to future work

Evidence of Need How you can demonstrate that the work you propose to carry out is actually needed and is what the beneficiaries require

Exit strategy A plan to 'exit' from a project or fund - either by winding down the project, or by generating income from it, or by finding new sources of funding

Full Cost Recovery Securing funding for all of your organisation costs associated with a project, including direct costs of your project and the overheads

Fundraising Strategy A written plan which sets out future projects for your group and how you intend to fund them. It helps you to plan a project, and identifies actions, timescales and possible funding sources

Gift Aid Tax relief on money donated to UK charities. HM Revenue and Custom (HMRC) treat donations as if the donor had already deducted basic rate tax from them. The charity can then reclaim this tax to increase the value of a donation

Good track record Organisations with a history of successful work in a particular area or field of work

Governing Document The written legal document which sets out your group's aims and objectives and how you will operate

Grants Set amounts of cash given to assist projects and organisations

Impact The difference your work or project makes

Income Diversification Exploring different sources of income to fund your group or project

In kind Donated products, materials or equipment which are given instead of financial help

Legacy Any gift you leave in your will to a person or organisation

Leverage Using one funder's grant aid to 'lever' in (i.e. attract) further money from other sources, so increasing the value of their grant



Matched Funding Funding that depends on others contributing to the project. This could be the group's own funds, other grants or earned income. It can take into account funding 'in kind' such as volunteers' time

Milestones Interim targets which show how far a project is progressing towards its ultimate goal

Monitoring Collecting and recording information about what is happening with your work

Needs Analysis The exercise you undertake to establish the need for a piece of work

Outcomes The changes or benefits that your organisation brings about

Outputs The activities, services or products that your organisation provides in order to achieve the overall aims and outcomes of the project

Payroll Giving Also known as Give as you Earn. Companies can encourage staff to give an amount from their pay packet each month to a chosen charity, and often match fund this donation

Performance indicators Pre-set measures by which you can measure the outputs and outcomes of your project

Pilot project A way of testing out an idea or project to see if it suits the needs of your targeted group before applying for long term funding

Procurement The whole process of buying goods and services, from initial advertising through to appropriate contracting arrangements

Project A piece of work with time and resource limits, working towards predefined aims and objectives

Reserves The amount of unspent money that an organisation has at the end of the financial year

Revenue Funding Revenue costs are ongoing costs such as rent, heating, etc

Ring-fenced funds Money which is allocated to cover expenditure on a specific item or activity (also called restricted funds)

Seedcorn Money Money to start something 'growing', e.g. a new project

SMART (Normally relates to setting aims and objectives)

- Specific—what exactly will your project achieve?
- Measurable—how will you measure it to know whether it has been successful?
- Achievable—can your organisation manage the project and attain the goals set?
- Realistic—can you realistically deliver the aims you have set?
- Time Based - what time scales will you set to achieve your aims?

Social Enterprise Businesses with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or in the community, rather than being driven by the need to maximise profit for shareholders and owners

Stakeholder A group or individual with an interest in an activity and organisation



Sustainable Funding Funding which comes from a range of sources, and which spreads risk to ensure a voluntary group is best placed to safeguard their financial future. In essence, it is about 'not keeping all your eggs in one basket'

SWOT analysis The Strengths, Weaknesses, Opportunities and Threats that your group and future projects face and how you may overcome this

Tender A written bid outlining a supplier's desire, capacity and plan of how to deliver a piece of work, service or supplies

Unique Selling Point (USP) Describing what makes your group unique and what would convince funders to invest in you

Unrestricted Funds An amount of money that an organisation can spend on what it wishes, within the law

User Involvement Actively including users' opinions as part of the decision making process as to how the project or organisation should be run

Voscur is a council for voluntary service and a development agency for the voluntary, community and social enterprise sector in Bristol.

We deliver **training** on different aspects of running a VCSE organisation. Follow this link to our VCSE Academy to look for upcoming courses: <https://www.vcseacademy.org/courses/> We can also offer bespoke training for your organisation, so do get in touch to discuss your training needs.

Voscur is here to **support** VCSE organisations. For support, advice and guidance on how to apply this information in your particular circumstances, please contact us: info@voscur.org 0117 909 9949

