

## A Philanthropy Toolkit – Getting Started

For those arts organisations who are new to working with philanthropists, we have drawn together some useful resources in several key areas.

The resources provided here are designed to start to demystify the process, and provide some introductory tools for arts organisations seeking to increase their philanthropic giving. Please note that these links are to external sources including HMRC, ACE, the Institute of Fundraising and several practitioners in the field of charity and arts fundraising. The links are intended to act as a starting point for those looking to engage in working with philanthropists. However, no responsibility is taken for the contents of these third party sites.

---

### 1 MAKING THE CASE FOR SUPPORT

The starting point for almost all fundraising initiatives is to identify why any donor should support your organisation. One of the key elements that has been highlighted by the NPAC research is the importance of cause. This is at the heart of both community-based initiatives and nationwide causes such as, for example, how to extend the benefits of music in working with children with special educational needs or how to improve the quality of life in a particular place. Cause also should be at the heart of why charities exist and should run right through descriptions of activities in annual reports of charities rather than just showing up in Statements of Public Benefit. It should be at the heart of measurement of outputs and outcomes. Our [case studies](#) present the work of 40 organisations and their societal impact – examples of how to construct a case for support.

Additional guidance is available from:

- [Arts Council England: Make the Case for Art and Culture](#)
- [Inspiring Fundraising Scotland: Writing a Case for Support](#)
- [Charity Excellence Framework: How to Write a Case for Support](#)

---

### 2 CREATE A CULTURE OF PHILANTHROPIC SUPPORT

Once the case for support has been articulated, how might a philanthropist make a donation? The following links are to resources to help establish a culture of individual giving in the charity:

- [The Charity Commission: Advice on Starting a Charity](#)
- [Chartered Institute of Fundraising: Fundraising Essentials](#)
- [University of Maryland: Introduction to Fundraising for Arts & Culture Organisations](#)

### 3 FIND SUPPORTERS

For most charities, the thought of looking for new donors can at first appear a little overwhelming. However, we have gathered a few tips to assist arts organisations, and provided some links to useful resources.

For arts organisations, a good place to start is typically our audiences. A conversation with existing supporters is often beneficial: are they able to introduce friends? Might they be able to increase their support? Philanthropic gifts do not have to be large; small monthly contributions add up.

In time we hope that NPAC's regional networks might be able to match donors to arts charities, and to identify donors with interests in a particular societal cause which relates to the societal impact of arts organisations; our network in Sunderland for example is exploring a brokerage model to connect recipient arts charities to individual supporters. Meanwhile, the national network of community foundations may also be able to assist.

Here are some resources to assist with the search for new donors:

- [CAF \(Charities Aid Foundation\): general advice on researching donors](#)
- [US based Network for Good: 6 Ways to Get New Donors](#)
- [Action Funder: Connecting Companies to Local Community Projects](#)
- [The UK Community Foundations network has nearly 50 foundations across the country.](#)

## 4 MAKE THE ASK

Often arts charities, both large and small, report that **the most difficult part of fundraising is asking for financial support**. There is an old adage 'If you would like to receive money, then ask for advice, and if you'd like advice then ask for money.' Here are a few resources to help with the all-important fundraising request.

- [Fundraiser Help: The Art of the Ask](#)
- [Arts Council England: Decision Science](#)

There are numerous online platforms for collecting donations. These include:

- [CAFDonate](#) - available to all registered UK charities
- [JustGiving](#)
- [Charity Digital](#) offers a summary of different user platforms

### Create different levels of giving for donors

When you ask for funds, it is important for a donor to understand both what their funds will support (articulated in the case for support) and what, if anything, they will receive in return for their donation.

Here are some examples of individual fundraising schemes from across our sector, which set out clearly the way in which donors' support will help the organisation, and navigate some of the more complicated gift aid rules (the ability to claim tax on donations back from HMRC) for donations at different levels of financial support (see also **Understand the Rules** below).

*Note that gift aid rules apply differently within a venue such as an art gallery where supporters can attend many times for one membership, to a performing arts organisation where benefits offered are valued directly when a donation is made to a particular scheme.*

- [The Art Fund](#) runs a fundraising advisory programme for smaller art galleries looking to raise funds to support particular exhibitions or the purchase of a work of art.
- [Art Happens](#) organises crowd funding to support regional galleries.

Some examples of good practice:

#### Orchestras

[Orchestra of the Age of Enlightenment](#) and [City of Birmingham Symphony Orchestra](#)

#### Opera houses

[English National Opera](#) and [Neville Holt Opera](#)

#### Galleries

[Watts Gallery](#) and [National Gallery](#)

#### Dance companies

[Alexander Whitley Dance Company](#) and [Rambert School](#)

#### Festivals

[Leeds Lieder Festival](#) and [Lichfield Festival](#)

#### Theatres

[Bristol Old Vic](#) and [Chichester Festival Theatre](#)

## 5 UNDERSTAND THE RULES

The rules relating to charities and fundraising in the UK are governed by charity law, with regulation by both the Charity Commission and HMRC. Here are a few links to help new fundraisers get started. Arts organisations should take independent advice on legal and taxation matters where specific questions arise. If a charity is registered for VAT, then there are rules relating to VAT and exempt income such as donations. Charities are advised to take their own independent VAT advice.

- [Official UK Government guidance on Gift Aid for Charities](#)
- [Cause 4 Fundraising and Philanthropy Guide](#)
- [Charity Commission for England & Wales: Guide to Charity Fundraising](#)
- [HMRC Guidance on how to complete your Gift Aid Schedule](#)
- [Official UK Government guidance on Tax Relief for Charity Donors](#)
- [Charity Excellence Framework \(requires registration\)](#)
- [Charities Aid Foundation: Guide to Gift Aid](#)
- [Official UK Government guidance on Setting up and Running Charity Accounts](#)

---

## 6 LOOK AFTER YOUR DONORS

Once you have received a donation, it is important to look after your relationship including basics like thanking donors for their gift.

In 2016, John Grain Associates carried out some research into [charity acknowledgement of donations](#), looking at how charities thanked donors, how often, and how this varied with different levels of donation.

See also - [Lessons from America](#) – 21 Ideas to Refresh your Donor Stewardship.

Finally, here are a few links which provide some more conceptual advice about fundraising from individuals.

General fundraising resources and publications:

- [Directory of Social Change](#)
- [Arts Council England: Evolving Philanthropy](#)
- [Inspiring Fundraising](#)
- [Arts Fundraising and Philanthropy](#)
- [Institute of Fundraising](#)