

# BRIEFCASE

## Fundraising

To ensure that you will generate the funds needed to keep your charity thriving, it is essential that you undertake good risk management and are able to comply with the charity law governing your fundraising activities.

### Regulations for fundraising

Regardless of fundraising methods, there are laws and guidance every charity or not-for-profit organisation must follow, and these may vary across different parts of the UK\*. According to the Charity Commission in England & Wales, your organisation must do the following for all fundraising activities:

- Keep money raised for a specific appeal separate from the general funds of the charity
- State that you are a registered charity on any fundraising materials, such as adverts and websites (this only applies if you are registered and your income exceeds £10,000)
- Report and comment each year on your fundraising activities (this only applies if you have a gross income of £1,000,000 where an independent audit of your accounts is also required)

### Trustees Responsibilities

As trustees you are legally responsible for your charity's fundraising activities and must therefore look to implement effective controls to manage this. The [Charity Commission](#) has provided 6 basic principles for trustees to follow which are:

**Planning effectively** – Agree an overall approach (geared towards your charity's values) and set a strategy. This may include what fundraising methods are to be used.

**Supervising your fundraisers** – Consider delegating the supervision of fundraisers to a specific employee (or employees), putting in place reporting procedures and providing clear instructions and guidelines to any [volunteer fundraiser](#).

**Protecting your charity's reputation, money and other assets** – Agree an acceptable level of fundraising costs in order to avoid these being considered excessive and analysing your sources of income to ensure you are not overly reliant on one source.

**Identifying and ensuring compliance with the laws or regulations that apply specifically to your charity's fundraising** – For example, compliance with data protection law when collecting or handling personal details such as names, contact details and credit or debit card details.

*\*For Northern Ireland and Scotland refer to the [Charity Commission NI](#) and [OSCR](#) respectively.*

**Adhering to any recognised standards such as from the [Fundraising Regulator for England & Wales](#) that apply to your fundraising activities** – This may include including opt-out information on fundraising communications sent to a named individual.

**Being open and accountable** – Include statutory accounting and other reporting on fundraising activities and costs as relevant.

### Preparing a Risk Assessment

Risk assessments are an important tool in managing your organisation's risk and protecting your staff, volunteers, and service-users.

When planning any type of fundraising activity, you should perform risk assessments which aim to identify, evaluate, and control any potential risks. Factors to be considered may include the area / location of activities, the time of day the activities will take place and the amounts of cash likely to be involved

### Cash, safety, and security

For door-to-door collections in England and Wales your charity, must obtain a [street collections licence](#) and notify the area's local authority.

Keeping the money and the people collecting it safe when fundraising should be a central priority. Follow these guidelines to ensure workers and volunteers are handling money correctly:

- Ensure personnel are suitably vetted for employment history, references, and DBS (if appropriate)
- Regularly open all collection boxes and record the contents in a secure location
- Keep records of takings and deposits and have at least two people involved in handling and recording the money
- Have an agreed policy in place regarding how you account for collections. The collection system can be open to fraud – take sensible measures to compare collection receipts and any patterns which emerge where receipts vary consistently from area to area.