

# Funding Factsheet 1: Fundraising Jargon Buster



It's important when fundraising to write effective proposals and sell your project to a funder in language that the funder can understand. Here are some key words and phrases that funders use.

**Activities:** Actions, tasks and work carried out by an organisation to achieve an outcome e.g. activities could include holding an event, providing advice, training volunteers and promotion.

**Aims:** The specific changes or differences the organisation plans to achieve for its beneficiaries. For example, an organisation might design an activity for the aim 'to increase the work-related skills of its beneficiaries'.

**Beneficiaries:** The people who directly benefit from an organisation's activities.

**Baseline data:** Facts about the characteristics of a target group or population and its context, ideally gathered before the start of a project.

**Capital funding:** Money for one-off purchases (e.g. equipment, building costs, materials).

**Core funding:** Direct funding for the central support costs of your organisation including central overheads, often salaries, management / administrative staff costs.

**Development funding:** Money for the internal infrastructure costs of an organisation to enable it to grow and develop.

**Earned Income:** Money that can come from membership fees, selling expertise, services, or products, rent (from other organisations using your premises), investments.

**Evaluation:** Using information collected through monitoring to assess the effectiveness of your work.

**Full cost Recovery:** Costings for a service include all the direct and indirect costs that can be reasonably attributed i.e. a proportion of rent, management salaries, IT and phones, evaluation and monitoring etc.

**[The Fundraising Regulator](#):** The regulatory body operating across the UK. You can contact them to raise any concerns about fundraising, to ensure charities are accountable for their fundraising, and to improve fundraising standards.

**Indicator:** Well-defined information which shows whether something is happening. For example, indicators of success could be the number of people who attend the work skills course or the number who make a job application following the course.

**Impact:** Broader or longer-term effects of a project's activities, outputs and outcomes.

**Inputs:** Resources put into a project to carry out an activity. Inputs may be human, material or financial, or can be expressed as time.

**Institute of Fundraising:** Has Codes of Practice and guidance that cover most areas of fundraising

**Intermediate outcomes:** Steps along the way to end outcomes. They are often smaller changes that need to happen before the final, desired outcome can be reached.

**Loan finance:** Securing a loan as an alternative to a grant – This is usually sought when there is clear potential for future earned income or there is a need to cover a gap in funding that is already secured.

**Milestone:** A well-defined and significant step towards achieving a target, output, outcome or impact, allowing you to track progress. This is common in longer term projects. For example, a milestone might be 'supporting 20 beneficiaries by the 3-month milestone'

**Monitoring:** The routine, systematic collection and recording of information about a project, mainly for the purpose of checking its progress against its plans.

**The Charity Commission:** the non-ministerial government department that regulates registered charities in England and Wales and maintains the Central Register of Charities

**Objectives:** The areas of activity or practical steps an organisation plans to accomplish its aims. For example, an objective could be 'To provide training in work related skills'

**Outputs:** All the detailed activities, services and products you do or provide.

**Outcomes:** The changes, benefits, learning or other effects that happen as a result of your work.

**Outcome indicators:** Pieces of information that show whether expected outcomes have occurred. They can be qualitative or quantitative.

**Project funding:** A discrete and defined piece of work with a beginning middle and most important for the funder, an end, after which they no longer have to support you. A project has its own stand-alone budget but can be related to the larger organisational budget.

**Pump-priming:** Start up grants for new, innovative projects (sometimes known as seed, or seedcorn, funding).

**Qualitative:** Qualitative information is descriptive and presented in words.

**Quantitative:** Quantitative information is given as numbers.

**Revenue funding:** Expenses and costs that occur on a regular basis i.e. rent, salaries, utilities.

**SLAs or Service level agreement funding (contracting out):** An agreement, usually with statutory organisations, to fund a voluntary organisation to provide an agreed service over a period of time to a specific client group or service users.

**Soft outcomes:** These are outcomes which are harder to measure or observe. For example, changes to how someone feels is a soft outcome. Whereas getting a new job is a hard outcome.

**SMART Outcomes:** These are outcomes which are 'Specific, Measurable, Achievable, Realistic and with a Timescale'. If you are completing an application form which asks for SMART outcomes make sure you think about each of these 5 factors. For example, your intended outcome couldn't be 'A reduction in unemployment' if you have no way of measuring this.

**Stakeholder:** Any individual or group that is affected by, or can influence, decisions or actions taken by your organisation for example staff, trustees, beneficiaries, the local authority, funders, etc

**Targets:** A defined level of achievement that an organisation or project sets itself to achieve in a specific period of time.

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