

## Charity Fundraising

As a charity or not-for-profit organisation, fundraising is your lifeblood. You deeply rely on it and cannot afford any problems with your fundraising activities or events. Knowing the charity laws governing your fundraising activities and the associated risks is the best way to ensure that your efforts will generate funds to keep your organisation thriving.

### Regulations for Fundraising

Charity laws differ based on where your charity is located and what activities you are planning. For example, if you want to go door-to-door in England and Wales to raise money for your charity, you must obtain a public collections certificate and notify the area's local authority. For more information on laws and guidance for specific fundraising activities, click [here](#).

Regardless of fundraising methods, there are laws and guidance every charity or not-for-profit organisation must follow. According to the Charity Commission, your organisation must do the following for all fundraising activities:

- Keep money raised for an 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 £500,000 and an audit is required).

Because regulations differ depending on your location, perform your due diligence to be sure you have the appropriate certificates or permission for your activity.

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**Fundraising is your organisation's lifeblood, but it is difficult. Follow the appropriate regulations to ensure your fundraising operations are successful and compliant.**

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You also want to be transparent about your collections to let the public know their donations are being used honestly by your organisation—you do not want the public to feel misled by your fundraising. For example, if you are fundraising to build a new playground in a public park, you need to announce what the charity will do if you do not raise enough money or if you raise too much. State upfront how you will add extra or insufficient money to your organisation's general funds. This will answer any questions the public may have, help avoid any confusion and inspire trust in your organisation's fundraising.

### Collecting Funds Safely

Before you begin to collect funds, whether publicly or privately, you should determine the scope of your fundraising activity so you stay focused and know when you have achieved your goal. When planning your fundraising, consider the following:

- Your financial goal – Are you fundraising to purchase a particular thing or is there a minimum amount of money that you need for operational costs?

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- Your timeline – Do you need the funds for a specific purpose at a certain time?
- Who will be involved – Will you recruit volunteers, hire professionals or do the fundraising yourself?
- Your purpose – Do you want to raise funds or awareness?

Whether you are holding a silent auction at a facility or collecting funds door-to-door, keeping the money and the people collecting it safe should be a central priority. Follow these guidelines to ensure workers and volunteers are handling money correctly:

- Obtain any necessary licences, certificates or permissions before collecting money from the public.
- Regularly open all collection boxes and count the contents.
- Have at least two people involved in handling and recording the money.
- Find a secure place to collect, count and store the money.
- Bank all the cash you collect as soon as possible and without deducting expenses.

## Performing a Risk Assessment

When planning any type of fundraising activity, you should perform a risk assessment to map out potential risks and also help you prevent those risks from turning into serious liabilities for your organisation. You want your activity to go smoothly—a risk assessment can help you ensure that it does.

Create a list of any potential problems that could arise during your fundraising effort. Prioritising the risks from high to low can help you focus on the more serious potential losses. Common fundraising risks and ways to manage them include:

- **Slips, trips and falls** – Organisation members or guests could slip on a wet floor at an event or trip on the street when going door-to-door. During an

event, keep the ground clear of tripping hazards and clean up spills as soon as possible. When doing public collections, walk on marked paths and in well-lit areas.

- **Working at height** – Workers or volunteers could fall off a ladder changing a light bulb or putting up decorations for an event. Be sure ladders are in good condition and that anyone on a ladder has a spotter, if needed.
- **Driving** – You may need workers or volunteers to drive in order to deliver goods or attend an event. Require anyone driving for your organisation to have a current driving licence, a safe vehicle and a good driving record.
- **Food and drink** – If you are serving or selling food or drinks at an event, follow safe food handling and preparation guidelines. If you are planning on serving alcohol, you may need a licence. Ensure that your organisation possesses the necessary permits to serve food, and that it minimises its product liability with risk management and insurance solutions.

Your activity may have unique risks such as working with an elderly population or holding an event near wildlife. If so, your risk assessment may be quite detailed and could take longer than expected. Be patient—taking the time to plan for a potential loss is much easier than actually experiencing one.

## Difficult but Necessary

Fundraising is difficult but necessary for the success of any charity or not-for-profit organisation. Consult with your broker at Robison & Co Ltd to help you identify and control any potential losses so you can focus on your organisation and the important mission it serves.