

SETTING UP A PERSONAL FUND

Establishing a Fund through **Northamptonshire Community Foundation**

Whilst there will always be a place for the conventional route of setting up a charity, a unique feature of Community Foundations is the ability to establish a personal or corporate fund where the administrative burden and legal compliance is managed by us but, importantly, you, the donor can remain as closely involved in the application of your money as you wish.

A named fund with Northamptonshire Community Foundation works in a similar way to a charitable trust but is a lot easier to manage.

We handle the:

- investment**
- correspondence**
- compliance**
- governance**



Named funds are bespoke to your charitable objectives and you can choose

- **The name of the fund or whether to remain anonymous**
- **The geographical area of benefit in Northamptonshire**
- **The causes that you wish to support in your grantmaking**
- **The level of involvement in terms of giving and selecting projects to fund**

Northamptonshire Community Foundation receives hundreds of requests for funding each year and we have a great depth of understanding as to what makes a good application and project. We also know how to reach small groups that may be beyond your knowledge. When assessing applications for funding, there are checks in place to ensure that the group has good governance and the skill set to deliver a project that is really needed in the local community. This provides for a strategic approach to charitable giving and ensures a low level of risk by making use of the Foundation's expertise in this field.





Long Term Endowment or Immediate Impact?

There are a number of options that you might consider when establishing a fund. We can work closely with you to explain the choices available enabling you to make an informed decision about the most appropriate fund for you:

Endowment Fund

An endowment provides permanence to a donation and demonstrates a long-term commitment to the local community. Endowed funds are invested with the annual income being distributed as grants. Funds are invested with a view to growing the value of the fund over time to create an expanding and sustainable source of funds for grant making in perpetuity.

Flow Through Fund

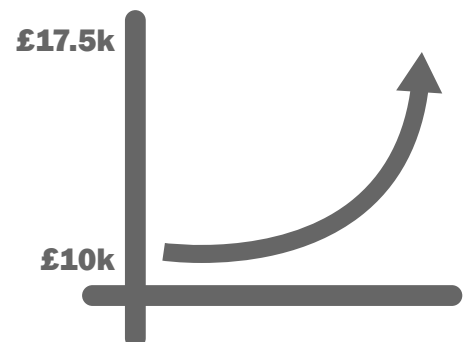
Flow through funds are often established by making an annual donation which is awarded as grants within that year to provide immediate support to local communities.

Combined Fund

This is very appealing for those donors who wish to grow an endowment fund over time but also wish to make grants from a revenue fund to make an immediate impact.

An additional benefit of setting up a fund through a Community Foundation is that, periodically, we have access to government 'match funding' programmes such as Community First or the Grassroots Grant Programme, both of which provided a 50% uplift on donations into endowment funds.

In short, this could potentially grow £10,000 of your donation to £17,500 after the application of Gift Aid. We can provide further details of any current schemes if your client would be interested in exploring this option.





Management & Costs

Giving through a Community Foundation can be one of the most cost effective ways of managing your philanthropy. As a charity, the Foundation asks fund holders to make a contribution to their costs and in return fund holders receive a variety of philanthropy support services: consultation, fund design, out-reach, grant making expertise, monitoring, impact, due diligence and reporting services.

The size of the contribution to cover administrative costs depends on the size of fund but is typically 5% set up fee and a 1.5% annually for endowment funds, and up to 10% for revenue funds. This offers our donors significant value for money when compared with the cost of establishing a conventional charitable trust.



The Donation

Where possible, we encourage donations to be made in a tax-effective manner, usually with Gift Aid. This means that for every £10,000 donated, we can claim back £2,500 at no extra cost.

We can also accept gifts in cash, shares, land, property or other assets which can also be made tax efficiently.

Giving shares to charity has long been a useful way of unlocking capital and passing it on to good causes. Donations made in this way are eligible for full personal income tax relief as well as exemption from capital gains tax. A gift of £1,000 worth of listed shares could reduce a basic rate taxpayer's income bill by £220 and a higher rate payer's by £400. In addition, no capital gains tax is payable on gifts of shares to charity. Similar relief also applies to donations of land or buildings. We can help you advise your clients on how to arrange the transaction.



Benefits

The key benefit to you is knowing that by setting up a fund through Northamptonshire Community Foundation they are making a significant and lasting difference to those in need in the local community without the burden of running it themselves. In short, we believe that we take out the stress and make giving the pleasure that it should be.

QUOTES FROM OUR DONORS

As a donor, you can see for yourself the difference your support is making and we make giving simple, safe, tax efficient and cost effective. We make philanthropy affordable, easy to manage and as visible or anonymous as each donor requires.

We offer a bespoke service to our individual and corporate donors and can give advice as to where your donation will make the maximum impact in the community.

Managed by Northamptonshire Community Foundation on behalf of Avon Cosmetics the Avon Female Empowerment Fund offers grants between £250 and £3,000 for projects that will improve the quality of life for women and girls in the county.

Avon has been empowering women for 130 years. At Avon we truly believe that if you empower women you can change the world. I am so proud to launch this fund with the Northamptonshire Community Foundation benefiting women and girls in this area, building on Avon's history of supporting the causes that matter most to women.

Natalie Deacon of Avon Cosmetics

The Mick and Sheila White Fund awards grants from £500 up to a possible £5,000 to provide support for young people driven to excel in their sporting career. Working in tandem with the Northamptonshire Community Foundation, the fund can support travel expenses for sporting events and tournaments, the cost of purchasing new equipment, clothing, specialist coaching and any other essential requirements to smooth their passage.

Supporting young people in sport has always been a great passion of mine. I am very much a local man, born and brought up in the town so it is important to me to give a little bit back, helping youth progress in the county and beyond.

Mick White, Fund holder

