

Fundraising and crowdfunding

Non profit organisations or NPOs are organisations that use their profits for their mission rather than distributing them among their members or shareholders.

Non profit organisations can have both paid staff and volunteers and even executives who work with or without compensation. In many countries, non profits may apply for tax exempt status, so that the organisation itself may be exempt from income tax and other taxes.

Although people often associate them with charities, there are various types of non profit organisations.

Member-serving organisations include mutual societies, cooperatives, trade unions, credit unions, industry associations or sports club, and provide services to a particular group of people, i.e. the members of the organisation.

Community-serving organisations provide services to the community in general, both globally and locally. They deliver human services programmes and projects, for example on health, medical research and education.

Charitable organisations, or **charities**, differ from other non profit organisations because they focus on philanthropic goals in the charitable, educational and religious sector or other activities of public interest. They partly depend on donations from individuals or profit organisations.

Charities can be classified into 6 broad categories:

- *animal charities*, which are interested in animal welfare, especially in the protection of endangered species, animal rescue and pet adoptions;
- *environmental charities*, whose focus is on promoting preservation and sustainable development for the environment;
- *international non-governmental organisations* (NGOs), which have headquarters in one country, but work in other countries too. Sometimes, they overlap with other types of charities;
- *health charities*, which cover everything from supporting and treating sick and disabled people to working on cures and diseases and promoting public awareness of specific health risks;
- *education charities*, which serve students from every age group and make education more accessible and effective;
- *arts and culture charities*, which help preserve artistic and cultural heritage as well as to celebrate the arts and history.

Charities and other non profit organisations have increased the amount of donations in recent years thanks to the use of new systems of **fund raising**. In general, however, the most common methods of fund raising are the following:

- by text message: the donation process is embedded in the charity's website and is mobile compatible. Six times more money has been raised through this method. In other cases a number to send the text message is advertised on TV, radio, etc.;
- directly on the website: a 'donate' button in bold colour appears in every page of the website, or a page with information on different methods that donors can use (e.g. credit card, bank transfer, etc.) is provided;
- through social media like Facebook, Twitter, etc.: various options on how to make a donation or phone numbers or websites for additional information are provided.

