

Starting a Business or a Venture the Social Enterprise way

A no-nonsense guide

Dear Reader

There are many people who wish to do something to help their community or have been affected by an issue and wish to help others avoid the same problem.

Sometimes it seems the immediate thing to do is to set up a charity but often the person wishing to set up the venture may need to also earn an income at the same time. Why not combine earning an income with addressing a need by looking at a social enterprise model as a possibility?

This guide is intended to help you take those first steps in exploring these possibilities. It is an introductory guide to social enterprise and will help signpost you to further sources of support to help you take your idea forward.

Contents

What is Social Enterprise	3
Is Social Enterprise for you?	4
Funding your Social Enterprise	5
Jargon Buster	6
Legal Implications	8
Case Study: Recre8	10
Choosing the right type of legal structure for you	12
Recipe for Success	15
Action Plan	16
Useful Links	17

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> What is a Social Enterprise?

You will hear a number of definitions for a social enterprise but they all amount to the same principle.

Social enterprises are diverse. They include local community enterprises, social firms, mutual organizations such as co-operatives and large scale organisations operating nationally or internationally. There is no single legal structure for social enterprise. They include companies limited by guarantee, industrial and provident societies and companies limited by shares and others are registered charities.

Social Enterprise a strategy for success DTI, 2004

Social enterprises are profit making businesses set up to tackle a social or environmental need.

Social Enterprise Coalition



The Eden Project, Cornwall

So what does this actually mean?

Often a social enterprise is set up to meet a need and the want to have more than just financial return – a sense of doing something worthwhile or important. Although they may well operate in the commercial sector and indeed have to maintain their sustainability (some may even have started out as charities and made the transition) social enterprises often have a particular way of working such as ethical trading, environmental responsibility or social responsibility.

They could be anything from chocolate and coffee suppliers to furniture restorers, design firms, services to the local community (e.g. rural village shops) or even transport for isolated communities or a group with particular special needs. They still have to compete with other businesses and be well run in order to generate income and keep costs down. They need to be innovative and not rely on grant funding too much.

It is often the case that a social enterprise will be run/owned by the employees/users/clients, community etc or it may have a board of directors who control the enterprise on behalf of a wider group of people involved/interested in the business (stakeholders). There are many different models to adopt.

Well known examples include Jamie Oliver's restaurant Fifteen, The Big Issue and the Eden Project.

> Is Social Enterprise for you?

The thought process that you go through for setting up a social enterprise is very similar to that of setting up any business. The difference is that the business idea must meet a community need or solve a community or environmental problem.

Before you start on the road to setting up an enterprise (whatever its legal structure), you might want to ask yourself the following questions.

- > **Why do you want to set up a business?**
- > **What is it that you want to provide or address?**
- > **What evidence do you have of the need/demand ?**
- > **Why will the idea work?**
Assume everyone thinks the idea is crazy. (Convince a cynic why it's a good idea!)
- > **What will you gain from implementing the idea?**
- > **What will you lose if you don't act on your idea?**
- > **Do you want to earn a living from the venture?**
- > **How much time do you realistically have?** List all the things you currently do and how long they take
- > **Who else will support you?**
- > **Are you prepared to forgo holidays and days out, cut back on everything except essentials in the early days?**
This could even be for a couple of years
- > **What risk are you willing to take?**
- > **What effect will all this have on your family?** How might they be affected?
- > **Have you discussed your idea with your family?**
- > **Can you cope with having no pension rights, sick pay, holiday pay and no regular income to start with?**
- > **You may have to shoulder all the responsibility.** Are you prepared for this and the challenges of working often alone?
- > **What will you do when things get you down? How will you look after yourself?**
- > **How do you feel about bringing in other people to help run the venture?**
Are you prepared for the complexity in relationships this can bring?
- > **Are you good at listening to other peoples ideas?**
- > **How do you feel about your own ideas and decisions being 'overruled'?**

Your answers to these questions could be the starting point for a business plan, which you would be advised to have.

For further help and advice see useful links at the end of the guide.

> Funding your Social Enterprise

Depending on your legal structure, income and finance may be raised by trading income, loans, grants, shares, venture capital and other forms.

Whatever type of finance you choose, you will first need to work out how much you will need – sounds obvious but it's no good going to a grant provider or bank with "I/we need some money to start this venture". You need to identify how much and what it will be spent on- hence doing a business plan.

If you do apply for finance from whatever source (excluding perhaps family) remember that the money will have to be 'bought'.

Grants are not 'free money' either or as free as they might appear. If successful in obtaining one, you need to be prepared to tell the grant provider how you spent the money perhaps showing invoices, and also report to them how things are going. If the grant is very large then you need to consider the administration cost of having the grant - it may mean that you need to employ the services of someone to help you as it can become time consuming having to do a paper chase and this may distract you from your original objectives in setting up the enterprise and delivering a product / service. If you do not adhere to conditions of the grant or you cannot prove how the money was spent there is the risk that you may be asked to pay it all back!

If, for example, you borrow money from a bank then there will be a proper loan agreement that you will have to stick to and you will have to pay interest on the money (the 'price' you pay). It is also very likely that you will have to produce a good business plan in order to get the loan.

Any investors or potential shareholders will also want to see a business plan and also want to see a return on investment for the money they put into the business. They may even want some control over what goes on, on the day to day decisions.

You must also consider how you will survive personally, financially, until the enterprise is up and running and providing you with an income, so it's important to do a personal survival plan.

Potential sources of information on finance:

www.bssec.org.uk

www.businesslinkwm.co.uk

Useful links to finance providers:

www.westmidlandsfinance.com

www.fair-finance.net

www.j4b.co.uk

> Jargon Buster

Demystifying some of the 'buzz words' you may hear in the social enterprise arena.

Charities: charitable status is available to all organisations with exclusively charitable purposes and charitable activities. Charitable status comes with highly beneficial tax advantages but also strict rules and regulations about trading; hence, it is appropriate for some social enterprises but not all.

Community enterprise: organisations trading for social purpose with a community base.

Community Interest Company (CIC): a new legal form being proposed for social enterprises. The aim is to make them easy to set up, with all the flexibility and certainty of the company form, but with some special features to ensure they are working for the benefit of the community.

Company limited by guarantee: a registered company with members rather than shareholders; members guarantee a nominal sum for paying liabilities in the event of insolvent liquidation and can also pay a membership subscription.

Company limited by shares: a registered company which is controlled by its shareholders. A public company has its shares available for trading in an open market: a private company does not.

Co-operative: structured and run in accordance with the seven international co-operative principles. It is possible to be an unincorporated body operating with co-operative principles. The members, who own and control the co-operative, can be employees (a worker co-op), customers (a consumer co-op), tenants (housing co-op), or a combination of these groups.

Employee-owned business: owned and controlled by people who work for it.

Ethical investment: investment chosen according to social, environmental and/or ethical concerns and personal values.

Fair trade: paying a fair rate for goods or products when trading with businesses in the developing world.

Mutuals: describes organisations whose members have joined together with a common purpose to provide a shared service for mutual benefit. Includes co-ops, building societies and some employee owned businesses. In a mutual organisation it is necessary to become a member to access the benefits.

Not-for-profit: a term used to describe companies which do not distribute their profits to shareholders but use them for social or community benefit.

Regeneration: a programme of local development which addresses physical, social, environmental and economic disadvantages in both rural and urban areas.

Social accounting/social auditing: the process of collecting, analysing and reporting both quantitative and qualitative information to provide an account of the performance of an organisation from a social perspective.

Limited liability: Members' liability limited to amount unpaid on shares or by guarantee. In the case of a company limited by guarantee, members' liability is limited to the (usually nominal) value of the sums they have agreed to pay by way of satisfaction of the company's liabilities in the event of its being wound up.

Company limited by shares is the most common form of capital structure for ordinary companies. The company has a stated capital divided into a number of shares; for example a company may have a share capital of £1,000 divided into 1,000 shares of £1 each. Once the full nominal value of a share has been paid to the company the member has no further liability for the debts of the company (as a member). Where shares are only partly paid members may be required to pay the balance if called upon to do so by the company or liquidator.

Social economy: the part of the economy which is neither private sector nor public sector. It includes social enterprises but also voluntary organisations, foundations, trade unions, religious bodies and housing associations.

Social entrepreneur: somebody who identifies and brings to life new business opportunities but who is motivated by public and social good rather than the need for personal profit.

Social exclusion: where people or groups find themselves excluded from society and from opportunity for reasons such as poverty, ethnic origin, age, lack of skills, bad health, low income, criminal record or gender.

Social firm: a business created to provide integrated employment and training to people with a disability or other disadvantage in the labour market.

Stakeholder: someone who has an interest in the way an enterprise is run either as a service user or management responsibility.

Surplus: the profit in many social enterprises is referred to as a surplus, to reflect their 'not-for-profit' status.

Sustainability: this can refer both to the financial stability of an organisation and its ability to sustain itself over the long term, and to the adoption of environmental policies and practices which minimise the negative impact of the enterprise on the environment.

Voluntary organisation: a self-governing body of people who have joined together voluntarily to take action for the benefit of the community, and established otherwise than for financial gain. It does not have to be a registered charity, but if it is not, the aims, objectives and methods of working of the organisation must be written down in a publicly available document. The organisation should be open to all members of the community with interests relevant to the publicly stated aims.

> Legal Implications

SARAH HAYES
SOLICITORS

Sarah Hayes Solicitors are Community Lawyers, putting tools into the hands of organisations, supporting them in achieving success and enriching the community. Here, Sarah Hayes solicitors provide an overview of choosing a legal structure for your business.

In establishing a social enterprise, it is important to understand both what you are seeking to give, and what return you want from the venture. The answer to these two questions will determine the legal structure which you adopt.

The pages which follow contain more information about the most common structures which are available. However, if you know that you will need to earn an income from the social enterprise, you should tread carefully around the area of charities. Although there are circumstances in which some of the people running a charity (its trustees) may earn an income, it is not straightforward.

If you will need to earn an income from the organisation, and decide that a charity is the best vehicle, you will need to decide whether to be a trustee of the charity or an employee. If you are a trustee and a

recipient of wages, you will need to think very carefully about the model you choose and there will be a number of complicated requirements you must comply with. If you are happy to set up a charity and become an employee without becoming a trustee, that is a different matter. However, you need to make sure that you are not deceiving yourself and that you are indeed content with others determining the shape of the organisation, with you being responsible for putting that into practice.

Equally, you may not need to earn an income but have a burning passion to see a particular activity established within the community. Your concern may not be earning an income, but funding a new venture for the benefit of other people. If this is the case, it may well be appropriate to consider establishing a charity.



If you want both control of the new venture and you need to earn an income, you need to look at existing business models and the ways in which they can be best adapted or at a long established model for running a social enterprise. In these days of litigation you would be well advised to build as much protection from litigation as possible into the legal model rather than relying solely on insurance. Sadly, the days when people would not take legal action against you because they think you are doing a 'good thing' have long gone.

The only real way of protecting yourself against personal liability if someone should take action against your social enterprise is to be a body which is recognised as a separate legal entity i.e. it, rather than you, can be sued. This means becoming a company, whether limited by shares or by guarantee, or becoming a community

interest company. There are limits to the protection these structures offer and using them is no excuse for failing to run a business well. If you are found to have acted negligently or criminally, no legal structure will protect you. You are at most risk if the venture fails and it is found that its finances are in such disarray that you should have ceased trading earlier.

Setting up a legal structure is easy: setting up a legal structure that works for you requires a little more effort at the outset but will yield its reward as it helps you achieve what you set out to do, rather than hindering you. Hence it is vital to seek legal advice to determine the best structure for your venture.

For further advice on legal structures for your social enterprise please contact **Sarah Hayes on 0844 800 0041** www.sarahhayessolicitors.co.uk



> Case Study

Recre8 is Psychology based Drama company that works with young offenders and those at risk of offending, focusing on challenging their thought processes and thinking patterns in relation to crime. Recre8 was started in September 2006.

Daniela speaks about her experiences in setting up and running Recre8.

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My first degree was in Psychology and my masters in Forensic Psychology. My sister took the Drama route.

Whilst studying for my Masters I was fortunate enough to research elements of one of the most renowned Offending Behaviour Programmes offered in British prisons, it was here that my idea for Recre8 developed. The prison based programme although successful in its own right lacked facilitator/group member interaction. Rigid programmes with time restraints taught with traditional teaching methods. Coming from a Psychology background I knew that these methods were no longer beneficial to those with a lack of education. You needed something dynamic to catch the attention of young people.

Anulka at that time was a Drama teacher at

a large Secondary School where the pupils displayed dynamic behavioural issues. It was whilst teaching that Anulka became very interested in behaviour management and wanted to expand upon her knowledge of this subject.

One day we were sitting outside, sun bathing with our mum, and we thought why not set something up, we had nothing to lose. We had saved enough money behind us, so if things went wrong at least we would be financially stable for a good few months whilst we found work. We wanted to try it and give it ago.

So we decided to set up a company that would work with young offenders, aged 10 – 21 years old. We haven't looked back since.

At the beginning we spoke to a lawyer about the legal structure of the business. He asked us lots of questions about what we wanted. We don't come from a business background so it all went over our heads. Deciding on the legal structure can be a scary process and I don't know what we would have done without the support we got from family and friends



Anulka & Daniela Varley

We decided to go with a partnership structure. It was equal 50/50 share. We were both coming into this together.

We were skilled in writing the programmes but when it came to what insurances we needed due to the nature of our work and they people we would be working with it was a completely new experience for us. We needed these things in place in order for people to take us seriously.

Starting your own business is a challenge but you have the freedom to do what you are passionate about.

The only people we approached for funding were UnLtd. We haven't gone anywhere else because we wanted to make sure that we didn't become reliant on funding. This gave us a little bit of a nudge to go out there and promote our work and sell ourselves.

We are contracted by various organisations to undertake the work and we are in the process of getting our programmes accredited.

People tell us we are a Social Enterprise, but we don't see it. For us, we have developed a really creative idea which has a social impact.

Having a social enterprise label can be beneficial in some ways but it can also hinder the development of your company because people don't look at you in quite the same professional light.

There was a time when there wasn't much money coming through. We questioned our decision in setting up the business. Should we change our programmes and become just a Drama company but that thought soon left.

We are passionate about the work that we deliver. We care about the young people that we work with.

We know there is money out there because organisations have to put young people through rehabilitation programmes but unfortunately sometimes a mechanics course or a carpentry course is offered. These do not focus on their offending behaviour issues.

The best piece of advice that I can give somebody starting a business is to use everybody around you. Filter through the advice and take away what suits you. Don't ever feel that you alone in this process, there are people who are more than willing to support you and help your vision turn into a reality.

Research the area you want to start your business in. Ensure that your business has a unique selling point. Don't be overwhelmed by how much needs to be done. You can take your time.

One thing that I have definitely learnt from setting up my own business is that people who I thought were my friends, when I told them what I was starting up; they laughed at my idea and that really hurts. Some people were not as supportive as they could have been.

Finally, we want people to recognise us for our forte and that change is possible. Just because young people have offended, it does not mean that they should be labelled as that for the rest of their lives. Everybody can make mistakes; it is what you learn from them that count.

www.recre8now.co.uk

> Choosing the right type of legal structure for you

During your research for legal structure for your business, you will come across many examples.

In this guide, we have broken down this topic into two sections. Section A look at legal structures that are relevant to a social enterprise. Section B contains some common occurring legal structures that you may come across. These are not applicable to a social enterprise.

Section A

Social enterprises tend to be limited companies or CIC's.

Limited Company

A limited company in the UK, is a corporation whose liability is limited by law. A limited company is a separate legal person created by incorporation at Companies House. Its profits, losses, assets and liabilities are its own. The company is owned by its members (the shareholders) and run by the director (or directors) whose assets are protected from loss if the business should fail. This is sometimes referred to as limited liability. Because a company has a life of its own the business can continue despite the resignation or death of any directors or shareholders and the sale of the business or the introduction of outside investors is simplified. Reasons for wanting or needing a limited company may include ownership of property, obtaining outside finance, taxation, status and protection from risk.

Set Up: There are three main types of limited companies which are set up by the Memorandum of Association & Articles of Association:

- > private company limited by shares (Ltd.) Similar to Pty. Ltd.
- > private company limited by guarantee
- > public limited company (PLC). Public limited companies can be publicly traded on a stock exchange

Management: Normally a Board of Directors

More information: www.companieshouse.gov.uk

Notes: Limited companies can also be not for profit making organisations, whom are legally constituted with the objective of supporting or engaging in activities of public or private interest without any commercial or monetary profit.

Community Interest Company

Community Interest Companies (CICs) are limited companies, with special additional features, created for the use of people who want to conduct a business or other activity for community benefit, and not purely for private advantage. This is achieved by a "community interest test" and "asset lock", which ensure that the CIC is established for community purposes and the assets and profits are dedicated to these purposes. Other CICs may well depend on grants or donations to achieve these ends.

Registration of a company as a CIC has to be approved by the Regulator who also has a continuing monitoring and enforcement role

Set Up: Memorandum and Articles of Association – the governing document like any limited company

Management: A Board of Directors

Finance: by shareholders, trading etc

More information: www.cicregulator.gov.uk

Section B

Charity (trust, or company limited by guarantee)

A charity is a particular type of voluntary organisation – one that takes a distinctive legal form and has a special tax status

Set Up: Normally has a constitution /rules of governance of some sort and is to benefit the public. It must have purpose that are defined under the law as charitable.

Management: Normally by a Board of Trustees or Directors depending on the set up , may employ people to carry out daily work as well as have volunteers.

Finance: reliant on fundraising, grant applications, donations etc.

More information: www.charity commission.gov.uk

NOTE: Charities can only trade within certain limits (Ref: Charities Commission Publication C35 Trustees, Tax and Trading), if their activities look like they will breach these limits then the organisation needs to consider a separate trading arm.

Sole Trader

Acts purely as a business a one man/woman operated business though they may well employ people Unlike other business formats, sole traders (and partnerships) can start trading straight away, although certain types of businesses may need a licence to trade.

If trading under a name other than that of the owner, one must display the name and the address of the owner at the premises and on the stationary.

Set Up: Just needs to register as self employed

Management: Makes all decisions by self

Finance: Often own money invested

Partnership

Unlike other business formats, partnerships (and sole traders) can start trading straight away, although certain types of businesses may need a licence to trade.

If trading under a name other than that of the owners, must display names of owners and an address, for each, at which documents can be served.

Set Up: Partners need to register as self employed. It is wise to seek the advice of a solicitor and form a 'deed of partnership' in case of 'argie bargies'

If non business then works to provide a service etc to address identified need

Management: By both partners

Finance: Often both partners own money



> Choosing the right type of legal structure for you

Other factors to consider

It is probably unlikely that you would be able to undertake a social enterprise venture without involving other people in the day to day running and planning. You will need to think about how you feel about involving other people in decision making processes, who else you want to have on board or even need to have on board, how you feel about committees, generating profits, how you want to be seen by others- the list goes on.

What ever route you decide to go down, if any body else is involved in the enterprise it is essential to have a properly drawn up written agreement /form of constitution of some sort. You may all start off as friends but you never know what is further down the line – people's circumstances may change; the enterprise may not live up to their expectation (or even yours). You need to make sure that there is some provision of procedure /guidelines as to what will happen for example if you or anyone else no longer wanted to be involved. You might also have to consider what to do if the enterprise gets into financial difficulty - who would be responsible?

As well as a legal structure there will be management issues you may have to deal with. For example if you are dealing with children, young or vulnerable people you may well also have to consider policies

for issues associated with these, even volunteer training and welfare, customer confidentiality, food safety and hygiene, health and safety etc – all depending on what you are doing. There is a wealth of advice available so don't be put off if you are going to have to address these issues.

You may have to think carefully about sustainability of your enterprise – sometimes due to the nature of the product or service being provided by a social enterprise i.e. it being affordable to it's community, it may be hard to generate enough funds to be completely sustainable from just one activity. You may have to diversify the income to sustain or develop and grow the enterprise. How would you feel about the money generated if the enterprise was really successful? How would you deal with this?

Hence some sort of business plan is essential and the involvement of legal advice. Whatever structure you choose it needs to be flexible enough to allow for changes you may have to make in the operation of your venture.

> Recipe for success

While many ingredients go into to making a successful social enterprise, marketing and communications are important, yet often overlooked, parts of the mix.

There's more to marketing than just promotion. It's a crucial part of business planning that involves researching and understanding what is influencing the 'market' you have chosen to enter, your potential 'customers' and your competitors. In this context, you need to present yourself as clearly different from the others and offer compelling reasons for people to 'buy' from you.

Start by writing down your vision, mission, objectives and values so that everyone involved with your enterprise is clear about the direction in which you are going. Measure every decision against them to ensure all your activity fits.

Choosing colours and designing a logo are fundamental. They should clearly express what your enterprise is all about. Get professional help - it's worth the investment. Your image is the start of building your reputation and should be capable of lasting for years.

Your reputation is being created all the time: by everything you and your team does or says, how you all dress, what your manner is like, what your premises look like, as well as the quality of your products or service, your website and literature. So it pays to give it some thought and manage your reputation rather than let it happen by default.

Do make full use of 'expert' support. You can access professional help with marketing and communications, as well as other business services, via Business Link. Some support is free, and if you use suppliers from their register you may be able to get 50% match funding for specific projects. You can also get free advice by inviting relevant professionals to serve on your Board, if you have one.

Finally, it's important to find time to get out and about and spread the message about what you do. Social enterprises usually have more complex messages than commercial businesses and these are best explained face to face. There is no substitute for your personal passion and, quite often, until you meet someone you have no idea that such an individual or organisation exists, yet they can help you further your objectives.

Sally Edwards is a marketing and communications consultant and a registered Business Link Supplier. She has 20 years experience of working with both social and commercial enterprises and has served on the Board of a number of charities and social enterprises.

Telephone Sally on **0121 733 1808** or email sallyaedwards@btopenworld.com

> Action Plan

The next step...

- > Take a look at the various links and helpful sources and publications. Read and research on if a social enterprise is really for you.
- > Seek legal advice from a solicitor who specialises in company law and preferably has some experience of social enterprise.
- > Meet with any stakeholders or people you want to work with make sure there are minutes of the meetings available to all who attended. Ensure everyone is clear about the enterprise. If you have never Chaired or run a meeting before, seek help from your local council for voluntary service/volunteer bureau.
- > Do a business plan (especially if you want to attract finance). Business Link can help with this.
- > Register yourself as self employed if necessary.
- > Register your business once the legal structure is in place.
- > Seek advice and support from Business Link and other sources listed.
- > Think about any training needs.
- > Use any opportunities to talk to existing social enterprises about their experiences. Also see the case studies on www.go.woman.com
- > Visit www.socialenterprisewm.org.uk



> Useful Links

Aston Reinvestment Trust (ART) lends between £10,000 and £50,000 to businesses and social enterprises in Birmingham and North Solihull, which need funds to survive or grow, but have been unable to secure them from conventional sources. The loan could be for cash flow or to support a capital investment project. It could be part of a finance package with other financiers, or stand alone. Repayment terms vary from 6 months to 10 years.

www.reinvest.co.uk

BSSEC full of resources for those looking for more information about social enterprise, what's happening in the sector, and how they can get involved.

www.bssec.org.uk

Business in the Community (BITC) a movement of 700 member companies committed to improving their positive impact on society. It has a charitable purpose "to create a public benefit by working with companies to improve the positive impact of business in society".

www.bitc.org.uk

Business Link the business advice service for England managed by the Small business Service.

www.businesslink.org

Birmingham Voluntary Service Council (BVSC) supports the development of all part of the voluntary sector including social enterprises.

www.bvsc.org

Changemakers is an independent charity and social enterprise which enables young people aged 4 25 to make a positive and continuing contribution to society.

www.changemakers.org.uk

Charity Bank is a charity where people can deposit money to be used solely for charity and social enterprise – lending, not giving. Also a not for profit bank whose sole business is providing affordable finance for charitable work.

www.charitybank.org

Community Action Network (CAN) a UK wide learning and support network for social entrepreneurs.

www.can.online.org.uk

Community Development Finance Association (CDFA) the trade association for Community Development Finance Institutions (CDFIs). The cdfa aims to promote and strengthen the CDFI sector. Its website has a list of members who provide financial services.

www.cdffa.org.uk

Co operative Action makes grants and loans towards enterprises and organisations which promote co operative solutions. Grants for supporting new or existing co operative enterprises; loan finance focusing more on viable co operative and mutual businesses, able to generate profits from which they can repay.
www.cooperativeaction.coop

Esmée Fairbairn Foundation makes grants across the UK in four areas of interest: Arts & Heritage, Education, Environment and Social Development, and is currently experimenting with making loans. The Social Development programme targets the most disadvantaged people and communities and has a particular focus on social and community enterprise.
www.esmeefairbairn.org.uk

Kajans offers a range of training and personal development courses and delivers specialist support for black social enterprise sector.
kajansproduction@hotmail.com

Initiative for Social Entrepreneurs (i se) plays a vital role in the changing the face of the social economy sector. It pursues this remit through the development of new social enterprises and the capacity building of existing voluntary and community organisations to become effective businesses, delivering services to their community.
www.ise.co.uk

Local Investment Fund (LIF) an England wide CDFI that makes loans to social and community enterprises.
www.lif.org.uk

National Council for Voluntary Organisations (NCVO) works with and for the voluntary sector in England by providing information, advice and support and by representing the views of the sector to government and policy makers.
www.ncvo.org.uk

New Economics Foundation (NEF) an independent 'think and do tank' that inspires and demonstrates economic well being. Aims to improve quality of life by promoting innovative solutions that challenge mainstream thinking on economic, environmental and social issues.
www.neweconomics.org

Plunkett Foundation educational charity which supports the development of rural enterprise.
www.plunkett.co.uk

REALiSE is a support programme to improve the capacity and capability of social enterprises to enable them deliver better front line services.
www.realiseonline.org

School for Social Entrepreneurs (SSE) offers 'learning through action' to release entrepreneurial talent. Runs a UK wide programme and has a growing network of schools and fellows meeting the needs of social entrepreneurs in local settings.
www.sse.org.uk

Social Enterprise Coalition (SEC) is the UK's national body for social enterprise. The voice for the sector, we support and represent the work of our members, influence national policy and promote best practice.
www.socialenterprise.org.uk

Social Enterprise magazine monthly magazine for the sector.
www.socialenterprisemag.co.uk

Social Enterprise West Midlands is a regional network that aims to support and promote a strong, visible, growing and sustainable social enterprise sector across the West Midlands
www.socialenterprisewm.org.uk

SpoRTA The Sports Trust Association is the major platform for sports and leisure trusts in the UK. Leisure trusts are non profit distributing organisations that manage sport and leisure centres that are open to the general public. SpoRTA has over 80 members and acts as their forum and lobby group as well as sharing best practice on delivering community leisure services.
www.sporta.org

The Digbeth Trust is a source of development funding and support for grass roots voluntary and community organisations in Birmingham and the West Midlands seeking to develop community facilities and services.
www.digbethtrust.org.uk

UnLtd the Foundation for Social Entrepreneurs is a charitable organisation set up by seven organisations that promote social entrepreneurship, including CAN and the SSE. UnLtd offers grants from an endowment fund to would be social entrepreneurs.
www.unltd.org.uk

> Words of wisdom

“ Social enterprise is definitely not a soft option. You will have all of the difficulties of running a normal commercial business but with the additional challenges (and huge rewards) of delivering social outcomes. Don't take the decision lightly!

Social enterprise is not about generating vast profits from trading which you then use to do charitable things to disadvantaged people. If there were vast profits to be made from any business then everyone would be doing it. In my opinion you need to deeply 'embed' the delivery of the social outcomes within your business activity - and then turn a profit too! ”

**Richard Beard - Chief Executive
The Jericho Foundation**

“ There is so much talk about social enterprises these days you'd think that the powers that be had invented a new form of business. A Social enterprise is a voluntary or community group or business that bases its day to day operations on firm business practices. Yes you got it - that's what we all try to do to stay in business. I recommend to all my clients - all of whom are established to meet a social or community need -that bid writing, fundraising or income generation are not enough individually - we need to work on all three income streams to have a long term future and to meet the needs of our clients and our volunteers or staff. The essence of a social enterprise is that it is there to solve a social problem or meet a social need. It also works on the basis that a sound enterprise is sustainable, has robust financial and governance procedures and is looking towards income generation (I did not say profit). It can be not for profit or profit making but is predominantly not for profit because if profit overshadows the social problem or need - it is no longer a social enterprise! Old wine in new bottles if you ask me but there you go. ”

**Siobhan Harper-Nunes - Director
Shakti Ghar Regeneration**