

Sell, Sell, Sell

An introduction
to generating
income through
trading



The Sustainable Funding Project



www.ncvo-vol.org.uk/sfp

Types of enterprise



Entrepreneurship

Trading activity

Social enterprise

Why trade?

- Traded income is unrestricted
- Promotes independence
- Trading builds new skills
- Trading can reconnect us with our users
- Charging promotes appreciation of quality
- Opportunities

What's stopping you?



- Skills to develop the plan
- Organisational capacity and structure
- Realistic time frame
- Understanding market and price
- Finance to develop ideas

Motivations for trading

Product – producing goods and services where they didn't exist before (childcare, recycling)

Process – ways of working which prioritise a social element (worker co-operatives, social firms, fair trade)

Profit – trading in order to cross-subsidise social or environmental goods or services

On or off mission

Vision

the future that
you want

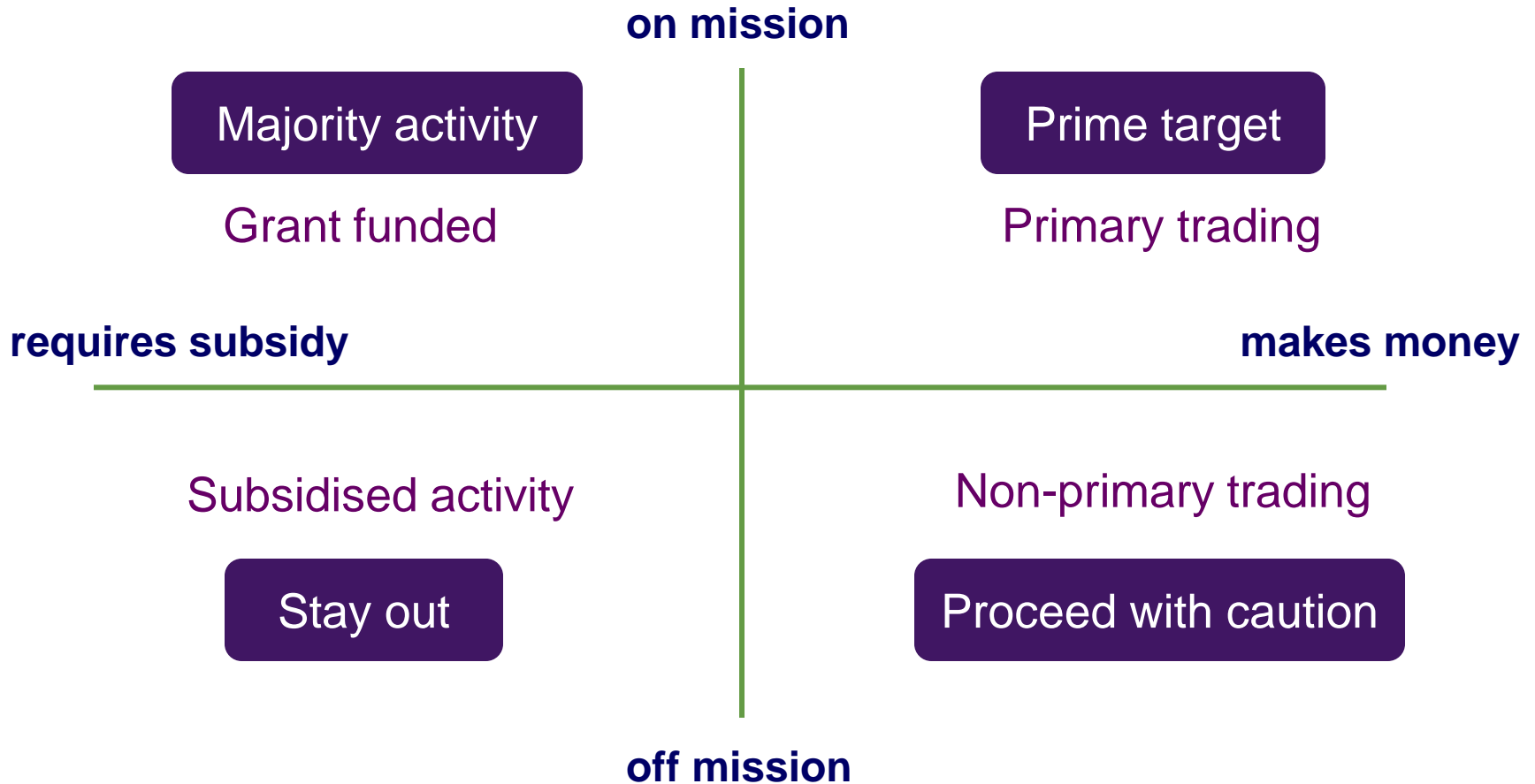
Mission

the way that you will go about
achieving that vision

Values

the underlying beliefs
of your organisation

Trading and Mission



Developing new products

Existing product

More of what you do best

Take your great work to new people

Existing market

New market

Offer new services to the people you know well

Reach new people with new products (diversify, risky)

New product

Idea Appraisal for Trading

Use this simple form to sense check your enterprise ideas before you develop them further. You can create your own version with additional criteria to test against.

1. Idea title (or number):					
2. Criteria – degree of fit	High		Not sure		Low
	+2	+1	0	-1	-2
Mission-related					
Will benefit our beneficiary group or cause					
Will provide employment/economic opportunities for our client group					
Financial					
Will generate income					
Fit with organisation					
Helps our organisation, e.g. by growing our capacity to respond to growing need					
We have relevant skills					
Market need					
There is evidence that this product or service is or will be needed					
Competitive advantage					
We have some kind of competitive advantage					

What is your idea?

How will it meet needs?

How will it generate income?

Planning for uncertainty

RISK MAP	High impact	Med. Impact	Low impact
High likelihood	Fail to achieve sales target	Unexpected tax liability	Stock spoilage
Medium likelihood	Cash flow problems	Production problems	Theft
Low likelihood	Loss of key staff	Support for charity undermined	Breach data protection rules

Being enterprising

- **What makes a person or organisation enterprising?**
- **Does your organisation have these qualities?**
- **Are you changing?**
- **What are the ethical dilemmas?**

The enterprise team

- **A project manager**
- **Senior manager**
- **Finance professional**
- **Trustee**
- **Prospective customer or user**

Success or failure?

Make profit

Achieve mission

Hit targets

Flexible response



Tools for trading

Choosing the
Right Legal Form
(NCVO)

Trading Issues
Made Simple
(CFDG)

VAT for
voluntary
organisations

Keeping it
Legal (SEC)

- www.ncvo-vol.org.uk
- Get Legal Website
- Charity Commission CC35
- HM Revenue and Customs



Grow Your Own Income

Salford CVS – 17th February

www.ncvo-vol.org.uk/sfp/GYOSalford

