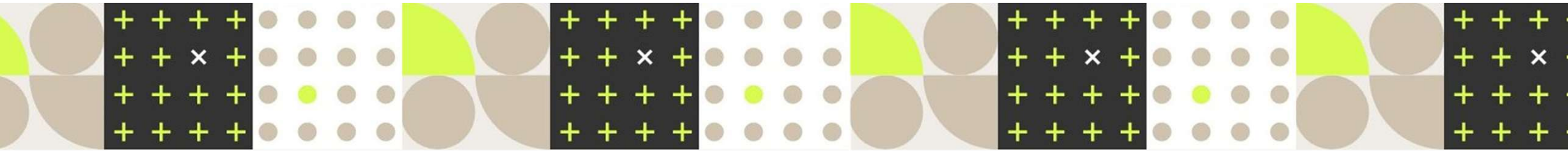


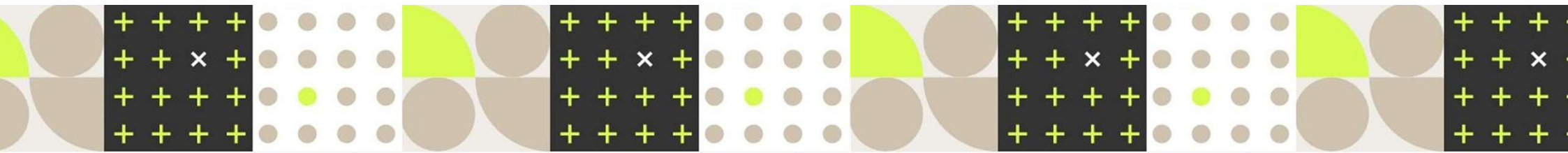
What you are not charging for but ~~should~~ could be! (Or creative approaches to trading)

Anthony Waddington, Chief Executive at Participate Projects



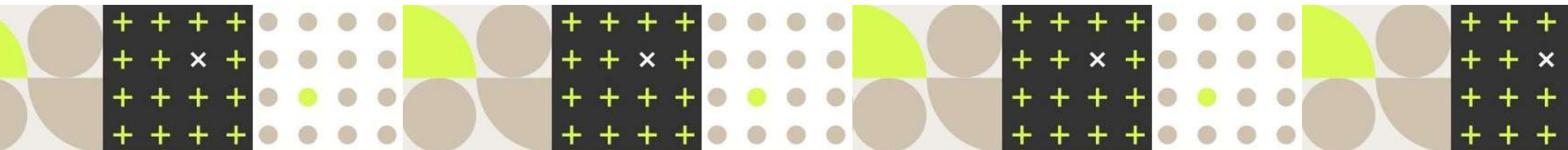
Welcome





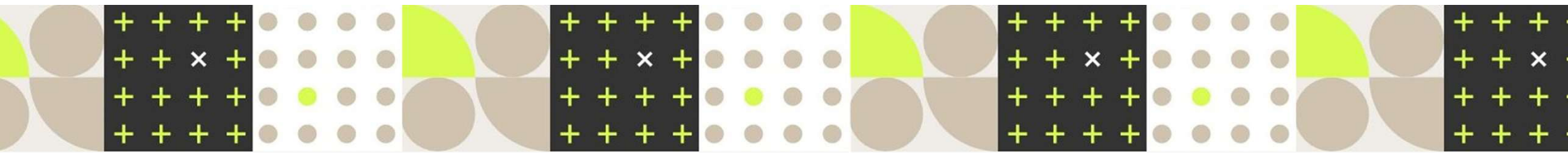
We will be covering...

- The general context for trading
- The income mix – Why trading matters
- Trading approaches
- Creative thinking about trading – Great examples that make money
- Making a plan
- Doing it right
- Smart moves



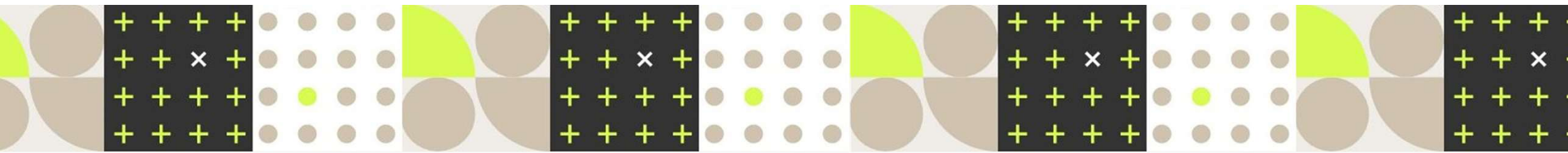
The general context – Trading Income

- Overall, around 45% of income into VCSE organisations comes from earned income
- 52% of VCS youth organisations report receiving some income from trading (excluding public sector contracts)
- As grant income becomes increasingly competitive more organisations are looking to maximise income from other sources
- 63% of charities in a recent Kreston Global report said that they were looking to diversify income due to pressures on traditional income streams



The Income Mix

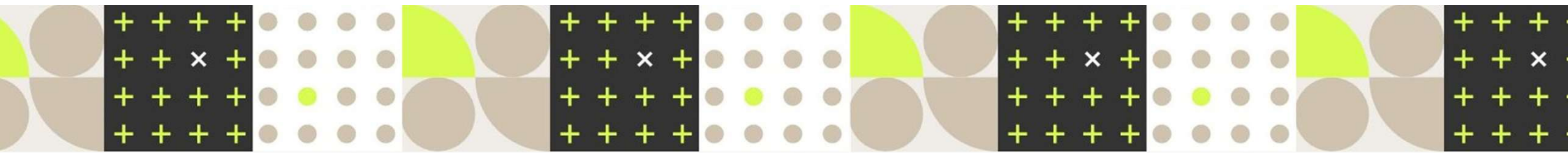




Why trading is important

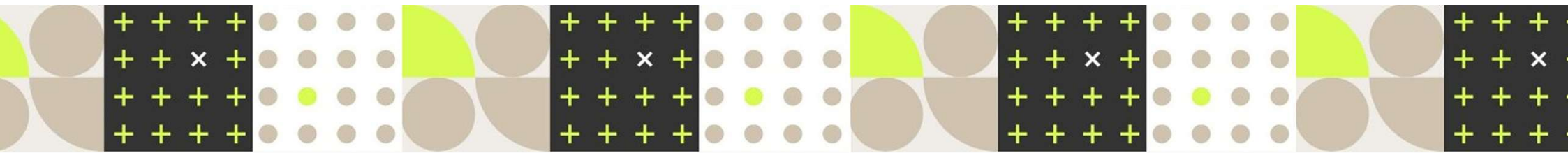
- Generates unrestricted income (profit)
- Resilient income source
- Flexible
- Can help to develop new reach
- Can help to deliver positive youth outcomes

But it can be risky and there are rules



Typical trading activities

- Room Hire
- Sports facility Hire
- Office rental
- Café sales
- Shop sales
- Charging for membership / admission / events



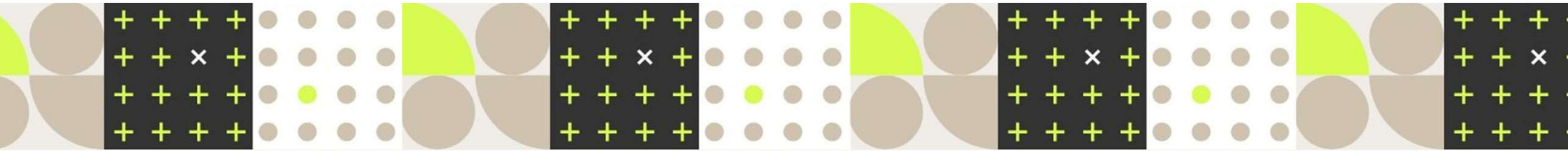
Trading approaches

Business to consumer

- Directly trading with beneficiaries to access your services (Charging fees)
- Creating projects that meet your purpose and generate income elsewhere
- Selling additional services, products and activities to existing beneficiaries
- Trading with different consumers to subsidise your primary purpose activity (Robin Hood)

Business to business

- Trading with other organisations that support your primary purpose
- Trading with the wider sector / mainstream businesses / public sector



Creating projects that meet your purpose and generate income elsewhere



WWW.NEYDL.UK

STAITHS HONEY

EXPERTLY HARVESTED BY LOCAL YOUNG PEOPLE
JUST A STONE'S THROW FROM THE DUNSTON STAITHS

Staiths Honey is the brainchild of the North East Young Dads & Lads Project, an award winning North East charity working to transform the lives of disadvantaged young men and their families.

Situated along the banks of the River Tyne, a tributary of the River Tyne, our bee colonies are closely managed by a group of inspirational young men (aged under 25), who have overcome significant hardship and adversity to become great bee-keepers and amazing young fathers.

All of the money raised by the purchase of Staiths Honey will be put back into the charity, as we strive to transform the lives of more young men through bee-keeping, social enterprise, individual help, peer support, research, film-making and educational activities.

For more information, please check out our website and follow us on Facebook and Twitter.

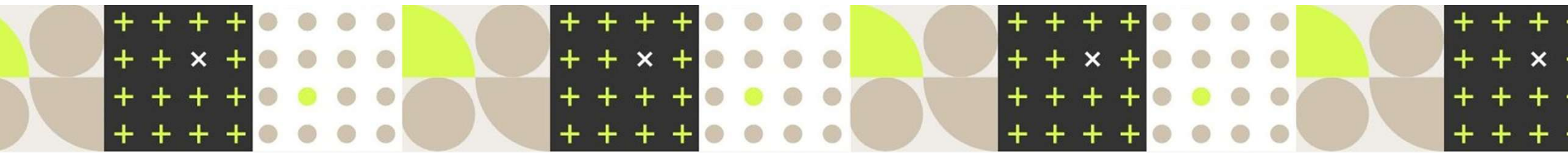
Thanks for supporting us to make a huge difference in the lives of local young men.

We hope you enjoy our honey!

North East Young Dads & Lads Project CIO
C/O Dunston Dropin Youth Centre
Unit 2 Clodmill Road, Dunston, Gateshead NE8 2QX

Website: www.neydl.uk Registered in England
Facebook: @the-neydl Charity No: 1172914
Twitter: @NEYDLs Company No: CE009920

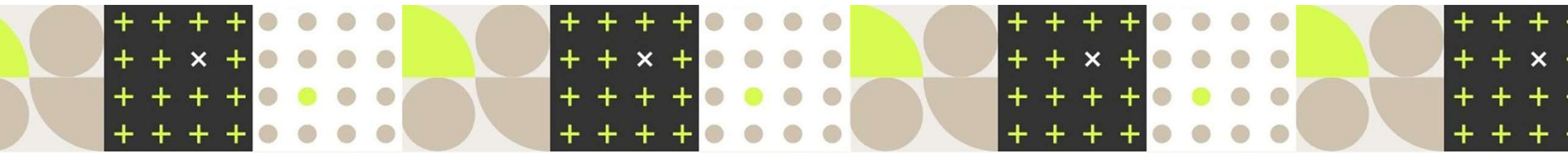




Why does it work?

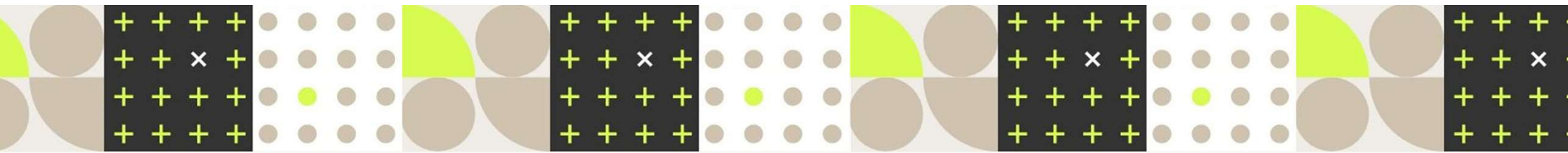
All the proceeds of honey sales from the 22 hives that NEYDL have around Gateshead go back into charitable activities:

- The project was aligned to the goals of the charity, giving young dads responsibility for a living hive
- The charity has been able to develop partnership work with local businesses to sell honey
- Trading is aligned with charitable purposes (ancillary trading)
- Trading activity takes place as part of core activity



Other examples

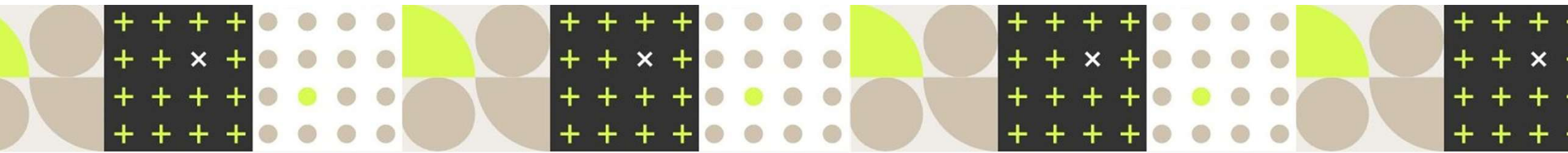
- Furniture recycling projects (West Kent branch of YMCA Thames Gateway, Learning for Life Charity)
- Bicycle repair and sales (upCYCLE LDN)
- Café sales and catering (Elgin Youth Development Group – Café / Catering @The Warehouse)
- Creating podcasts and marketing (Youth Social)
- Horticulture and plant sales (Sunderland Home Grown)



Why does it work?

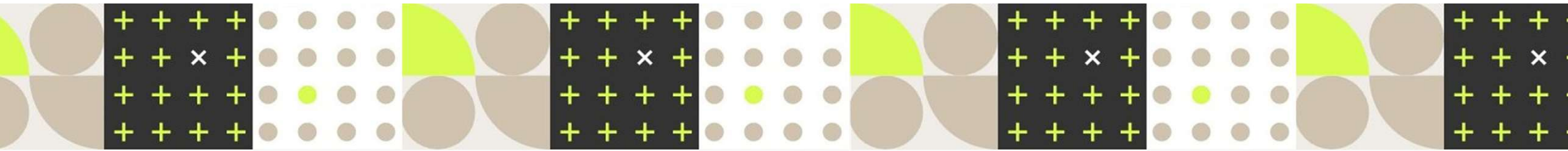
Roller Girl Gang CIC, trading as Skate Sanctuary, generates more income from sales of equipment than through other funding sources:

- The organisation operates in a niche space and has been able to develop a compelling business offer
- Sales are driven by participants but can also reach a wider market
- Trading is aligned with activity and expertise



Other Added Value Examples

- Selling sports kit (Milford Youth Matters pop up shop)
- Instrument Hire (Severn Arts)
- Disability equipment sales (Equality Together)



The Robin Hood model

Easter Egg Hunt
around the grounds at Nell Bank

Thursday
10th & Friday
11th April 2025
10am - 3pm

Volunteer run café serving hot drinks, sausage sandwiches and home baking

Children must be accompanied by an adult

To book your tickets please visit www.nellbank.org

£6.50 per person (Free for Under 2s)

Lots of activities to enjoy...
Adventure Playground, Water Play, Toddler Trail and more!

#NellBankEaster2025

WE'VE GOT SPRIGS, TWIGS, SNIPS AND BOWS...

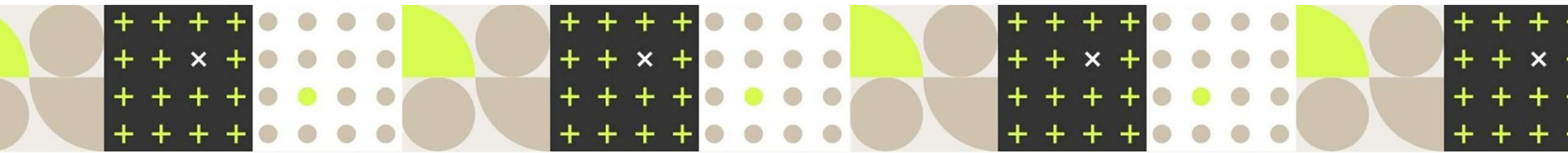
WELCOME TO NATURE'S CLASSROOM

WE'VE GOT WORMS, BUGS AND SQUISHY BOGS, ADVENTURES UNDER EVERY LOG.

Come and discover our new insect trail at Nell Bank this summer holiday.

Thursday 31st - Friday 1st August,
Thursday 7th - Friday 8th August
For tickets visit: nellbank.org

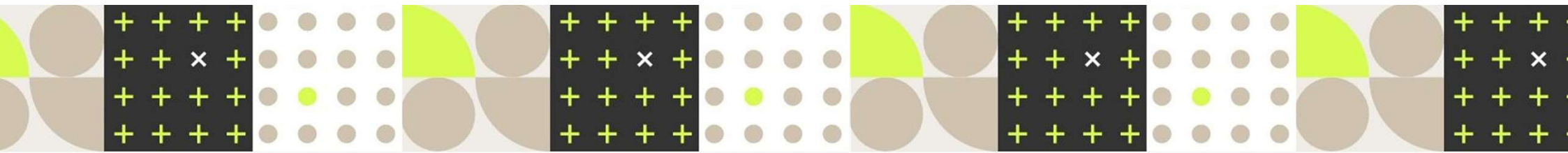




Why does it work?

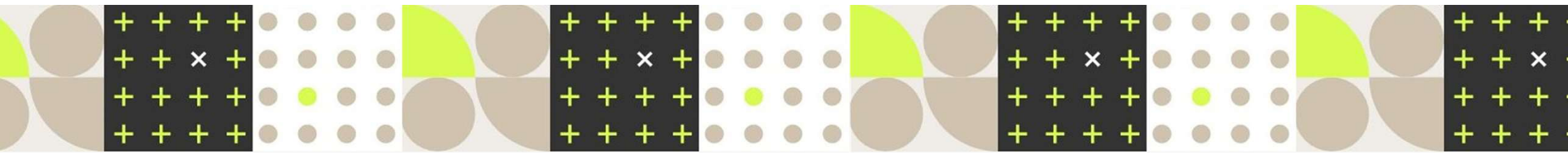
In 2024 Nell bank raised around £40,000 through event sales. Surplus generated from this work is directly reinvested into charitable activities.

- Trading is directly linked to core skills, resources and assets
- Costs are reduced as the activities use core staff
- Trading is aligned with charitable purposes
- Trading activity takes place when core activity is not happening
- The market is clearly identified and has the means to pay (Ilkley)



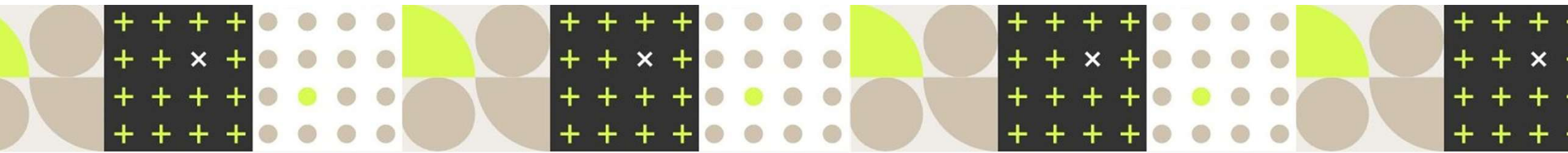
Other Robin Hood examples

- Play site Hire (Oasis Play, Play Bradford)
- Merchandise sales (Salford lads and Girls Club)
- Music tuition (The Rhythm Studio / Rhythm Music Foundation)



Identifying your opportunities

- Skills and knowledge
- Building and site
- Resources
- Opportunities with young people

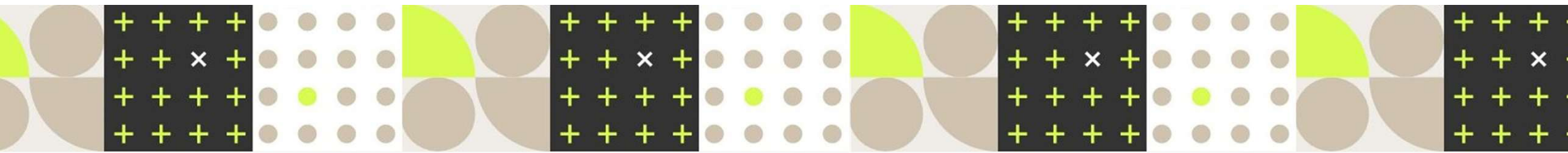


Skills and knowledge – Consultancy

Consider the skills and knowledge your organisation holds:

- What are you expert in?
- Who needs to know what you know?
- Who currently pays for this? (Funders through funder+ models, Individual organisations, infrastructure organisations)
- What capacity do you have?
- How could you package and sell that knowledge?

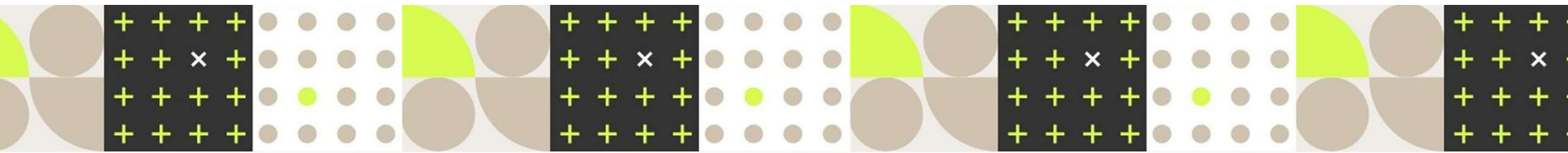
Charging people who want to see what you do!



Skills and knowledge - Services

Consider the skills and knowledge your organisation holds:

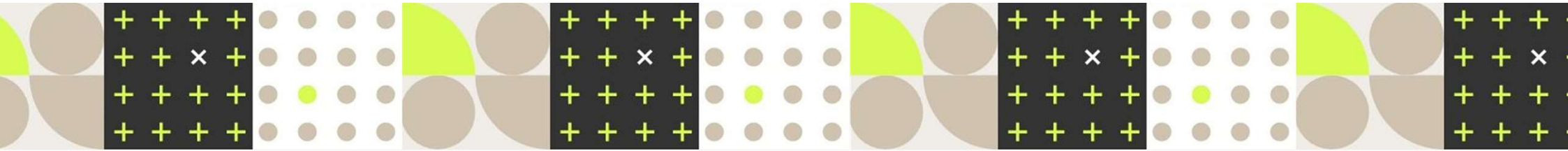
- Do you have spare capacity around something that other organisations would value?
- What do you deliver well? (marketing, HR, bookkeeping, impact reporting, DBS checks, Youth engagement etc)
- Who might be interested in paying for these services?
- What are the simple routes to market?



Buildings, site and resources - Hire

Think about the physical spaces and capacity of your site:

- Are there times when your site is underused?
- What type of activity might need space at those times?
- Consider what your site could do, not what it does now
- Map other local provision and benchmark your costs
- Do you need to make any changes to make opportunities work?
- Where could you market the opportunity

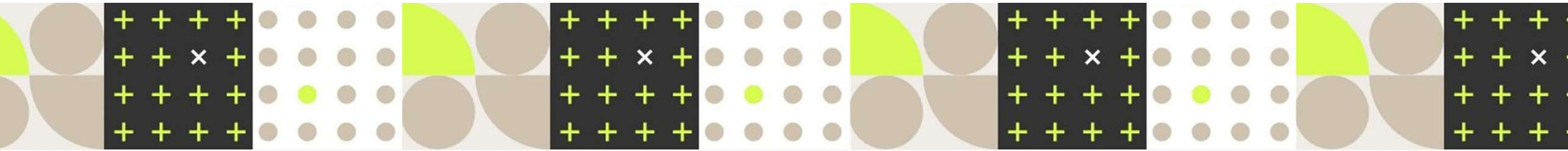


Buildings, site and resources - Development

Do you have land that could be developed?

Could you acquire land that could be developed?





Filming location

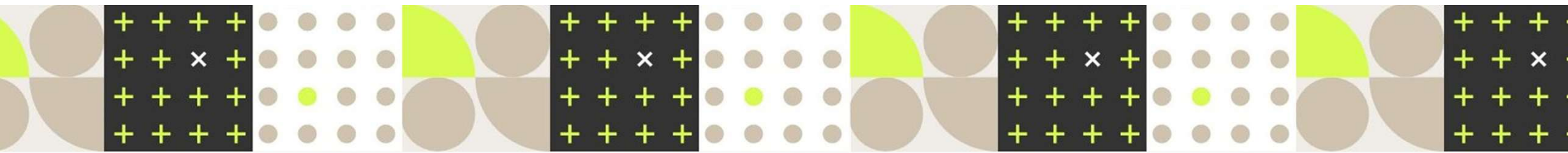


Minibus Hire



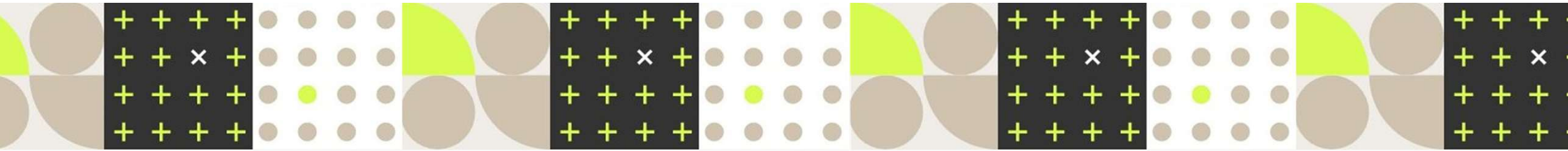
School provision





Branching out

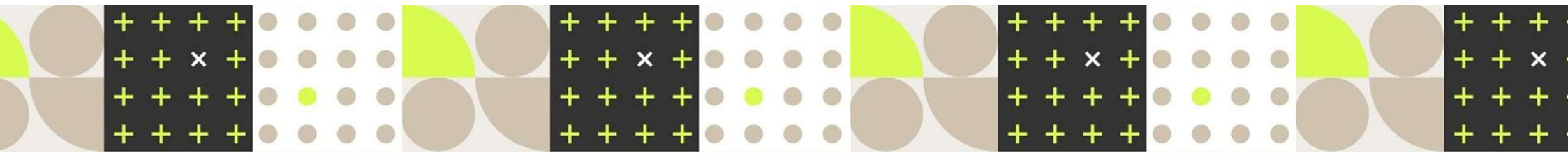
- Could you be running public services?
- Could you be working with business to meet social value commitments?



The Business Model Canvas

<https://www.strategyzer.com/>

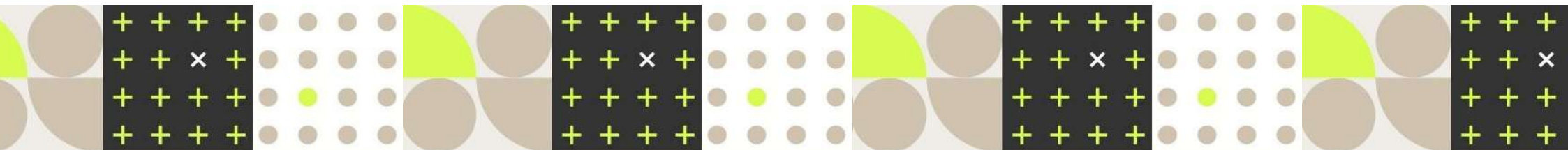




Doing things right

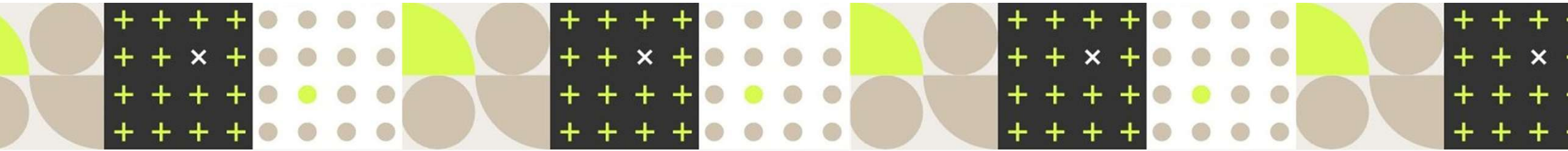
Different types of organisations have different rules around trading:

- Consider whether your purpose and legal structure allows you to do the activity
- What are the tax implications (Corporation Tax, VAT – for charities consider whether the activity will be considered primary purpose trading and the Small-Scale Exemption)
- Does your insurance allow you to undertake the activity?
- Risk – do you need to set up a trading subsidiary?
- For charities do you need to clearly separate the charities assets and resources from the trading activity
- Mission Drift



Smart Moves - Where to put time and energy

- Selling anything is hard. You need a proper plan, and you need to invest time and resources into that plan
- Be really clear about what you are good at and the opportunities that creates
- Look at the capacity of your building, site and other resources
- Engage young people in thinking about enterprise and be creative
- Invest in marketing your venue and use available support such as Google Ads grants to improve your positioning
- Make sure your doing things right



Questions?