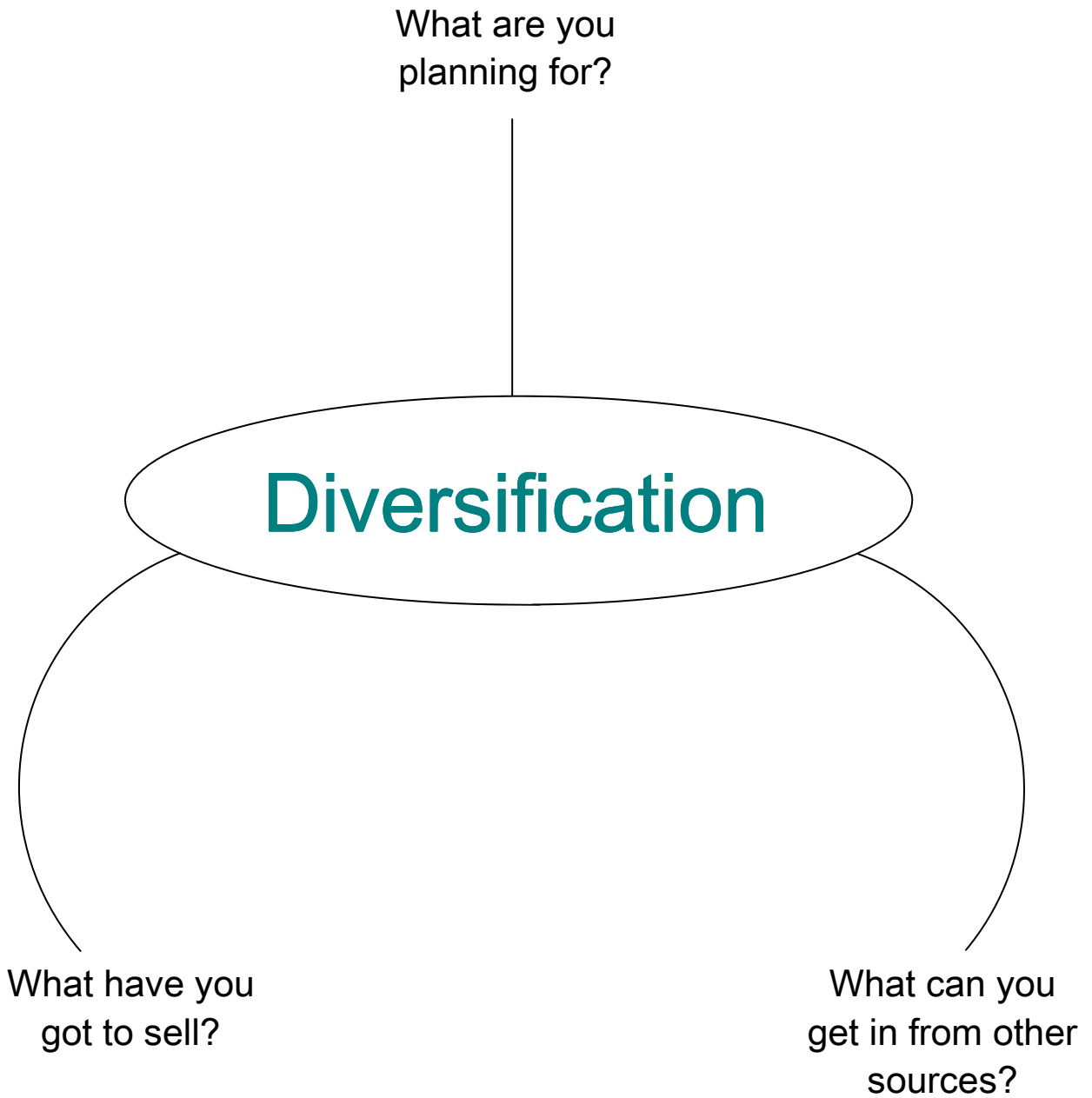


# Moving into Income Generation



## Diversifying Income Streams

Our Strengths:

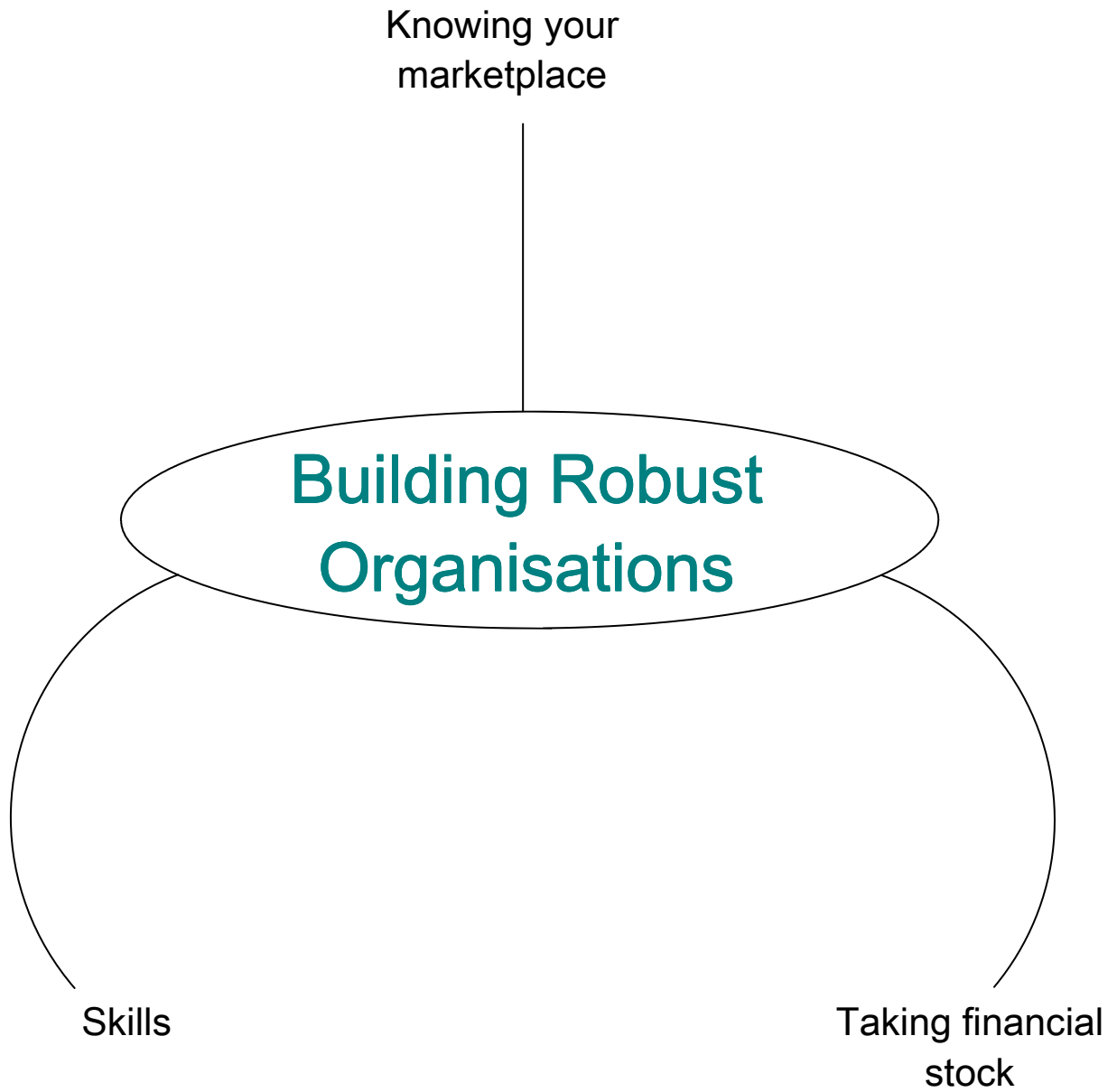
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- 

Our Weaknesses:

- 
- 
- 

Culture	Purpose	Resources	Conflicts

## KEY MESSAGES



## Risk Management

## Risks in...

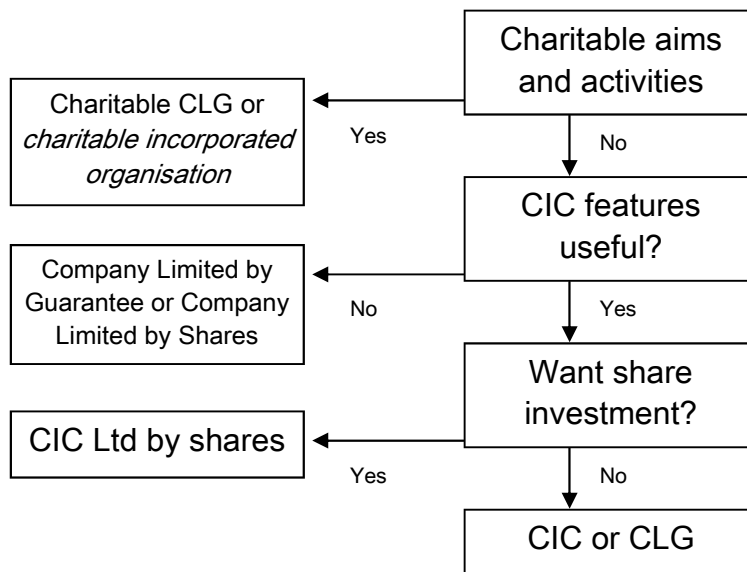
	Possible Risk	Possible Impact	Likelihood of Impact	Severity of Impact	Overall Risk	Action – Process, Mitigation Change or Accept
<b>Governance/ Strategic Risks</b>						
<b>Operational Risks</b>						
<b>Financial Risks</b>						
<b>External Risks</b>						
<b>Regulatory Risks</b>						

## KEY MESSAGES



## Choosing a Legal Structure

( if you need to )



# Commerciality

How “commercial” can you be?

It is about ... legal restrictions

- grants/borrowing/security
- commercial partnerships
- trading
- property lettings











But its also about ... attitude

- Seeing the big picture - not just the job at hand
- The service user/customer/client 's view
- Inquisitiveness and questioning
- The environment in which you operate
- Sizing up the competition
- Organisation 's/people 's role
- Issues and challenges faced
- Applying common sense

### Case study:

Your organisation is a charity working with young people to get them into employment. Your grant funding is being cut and you know that your organisation needs to bring in some extra income. Someone has suggested that you open up a community café. You think that it would be ideal for the local young parents and also for older people who live nearby. You will need to borrow £1million to cover the cost of purchasing a suitable building and initial start up costs. What issues should you consider in deciding whether to start the new venture and the legal structure through which to run it?

### Do's and Don'ts

-  Don't generate profit at the expense of beneficiaries interests
-  Don't try and take over the world ( unless you really can )!
-  Don't plough all your resources into generating funds from uncertain / limited income streams
-  Don't lose your focus
  
-  Do know where your money is coming from
-  Do know and manage your risks
-  Do have a business plan - in whatever form
-  Have a big picture and...
-  Have someone who can handle the detail
-  Do build up your board with appropriately skilled trustees and involve them in strategic planning