

## FACT SHEET

### 3

It is important to understand the distinction between a charity and a social enterprise.

If your organisation is operating as a Social Enterprise you may receive specialist support which will help you to establish and grow your organisation, projects or ideas.

Tick next to each statement which best reflects your current situation.

✓	Charity	Social Enterprise	✓
	Any surplus has to be retained by the organisation.	Profit is sought after, as it would be in a mainstream business and it can be used to fulfil social objectives outside the direct activity remit of the organisation.	
	Social mission at the centre of activity.	Social mission overarches activity but within a business framework.	
	Would not want to take risks.	Willing to take risks necessary to grow the business.	
	Set up and run by philanthropists.	Set up and run by socially conscious entrepreneurs.	
	Usually dependent on grants and fundraising.	Aim to survive from the profit made through the business activity but may start off by being grant dependent.	
	All activities directly related to social mission.	The business activity may not be related to the social mission or objectives but the profits/surpluses are directed to that mission.	

- Most ticks on the left suggest you are a charity and do not wish to embrace a business framework for your activity.
- If your ticks left or right are more or less equal, most likely you are starting to think that trading and social enterprise are suitable for your organisation.
- Most ticks on the right suggest that you are operating as a Social Enterprise and therefore could benefit from specific Social Enterprise support. This could also be the case if you are thinking of achieving the aims in the box on the right.