

### **Social Enterprises and/or CICs**

We are proud to support social enterprises at SYCF.

To be eligible for a grant your organisation should be transparent in the way it operates, have a clear social purpose and demonstrate that you are, or will be, reinvesting any profits back into your social purpose if you are operating as a social enterprise.

If you are incorporated, we would expect to see you set up as a CIC or company limited by guarantee (as a general rule we do not fund sole traders or companies limited by shares).

- Any payments to directors should be clearly communicated in your governing document, be within market value and have a named role, even if they are employed as a consultant. If this is not clear, or does not meet this criteria, your application will not be eligible.
- No one person should have 'significant control' and there must be at least three unrelated directors associated with the organisation.
- Any difference between a trading name and an operating name must be clearly communicated in your governing document. We will look into both.
- Any links to partner organisations and/or shared directors should also be clearly communicated. We will research other organisations your directors are linked to.
- You should have a clear asset lock and distribution clause. This is a standard paragraph on governing documents that tell us what would happen if your organisation had to close and where any surplus donations or income would transfer to. An appropriate organisation (or description of a group with shared values) should be named here – we can't fund you if this detail is not included, particularly when competition for funds is high. We also can't fund you if any surplus monies would go to directors, volunteers or staff working for, or connected to, your organisation.

If you are a social enterprise or are interested in operating as one, you may find it useful to visit our partners at [Sheffield Social Enterprise Network](#) for information and advice. Some services here may only be available to groups operating in Sheffield. Our local council or CVS may also provide useful advice.



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