

We're open for (social) business!

Kindred money is available now
for socially-trading organisations.
Find out more...



Kindred

Kindred 2024



How do I get involved?

- 1. Make sure you're eligible to receive money from Kindred**
- 2. Fill in a short response to let us know you're interested**
- 3. Let's talk!**

**Am I
eligible?**



Kindred gives money and support to socially-trading organisations (STOs) who are based in Liverpool City Region. STOs are organisations with social purpose, that are sustainable (or on the path to sustainability) through trading – usually through selling either goods or services.

We don't fund individuals – we fund pro-social businesses. They're often – but not exclusively – CICs (community interest companies), but can also be charities and some limited companies.

Our money is repayable, not a grant. This is why you need to be trading.

Generally, STOs repay around 80% of their investment in money and 20% in 'social impact returns' – but that varies between organisations.

Our investments are usually between £15k and £70k – with an average around £45k. The money is designed to help you grow your social impact.

Our work is based around relationships, so we can get to know you and work together in a way that suits you. It means that our agreements are bespoke – designed to suit you and the way you work, with patient and affordable repayment terms. The money you pay back helps support the next group of STOs – when we pay it back, we pay it forward.

You're not limited to one-time investment from Kindred – we actively seek to support current investees with follow on investment, or co-investment with partner social investors.

Kindred money can be used for a variety of things – and we'll talk about this together – but we don't invest for the purchase of property, for example.

For the first time this year, we don't have deadlines attached to our money. This is based on feedback from previous years, allowing you to ask for money when you're ready. We'll have our 'money panels' throughout the year, and you'll see one when you're ready. Money panels are led by your socially-trading peers, who'll help you decide whether you're ready or not for investment.

What does 'investment-ready' mean to Kindred?

Being 'investment ready' means being able to tell us these five things:

- what you want to use the money for and how this will grow your social impact
- your current financial position and how your company works
- being able to tell your story, with words, pictures or video
- what social impact you make
- how you collaborate with others

If you've started trading but aren't yet investment ready – or you're considering it in the future – you should consider applying to the School for Social Entrepreneur's Trade Up Programme. You'll find more details here – the closing date for this is Friday 3 May.

Remember, Kindred money isn't right for everyone, but we'll always point you in the right direction. We might:

- **work with you on your investment readiness**
- **talk to you about money from other investors**
- **find grant may be more suitable for you**
- **refer you to other partners for support**

**How do I
let you
know I'm
interested?**

2.

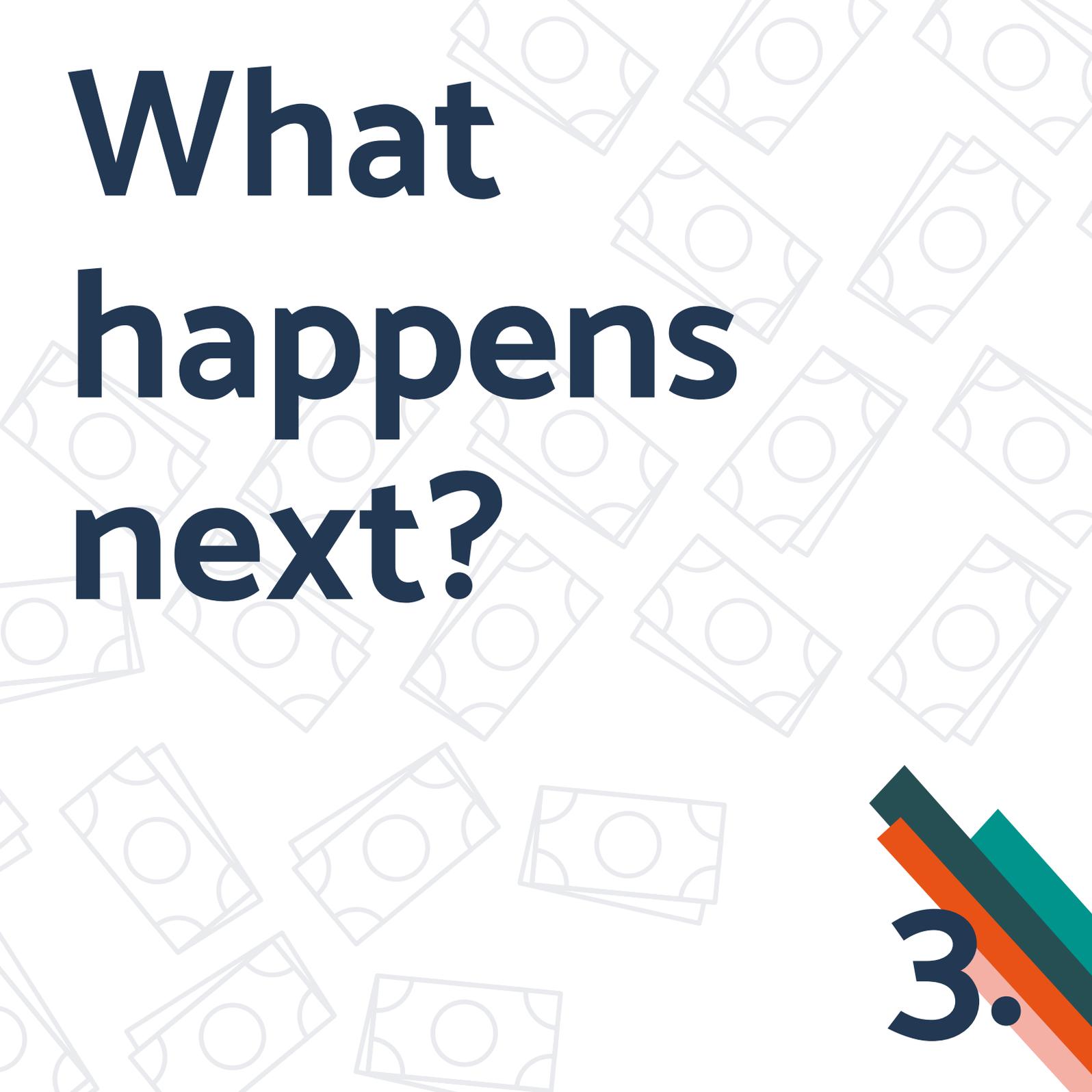
You'll need to fill in a short expression of interest.

Click here to access it.

Fill in the responses online and you'll get a short 'thank you' message to confirm we've received it...

The Kindred team will read through your responses and we'll respond within two weeks, to arrange an initial chat and find out more about you.

**What
happens
next?**



3.

A team member will call to speak to you, and follow up with an email.

We'll confirm if you meet our criteria – and if you don't, you can discuss this further. If you do meet our criteria, the timescale for progress varies. Our primary consideration is making sure that you have the right support, so this stage takes different amounts of time for each organisation.

We'll invite you to speak to a money panel of your peers – it's likely that several of the STOs on the panel will have gone through the investment process before. This helps determine what you need to work on, and you'll develop an action plan alongside the Kindred team.

Your action plan will help you get investment-ready, including:

- what you want to use the money for and how this will grow your social impact
- your current financial position and how your company works
- being able to tell your story, with words, pictures or video
- what social impact you make
- how you collaborate with others

Support to get you investment ready will come from a wide range of sources, including the Kindred team, other STOs or from Kindred's peer support framework.

After the first panel, you'll be invited to a Kindred Connect event, to meet other members of the community and share your insights and experiences.

You'll check in with the team to review progress throughout your journey.

You'll join us for a second Kindred Connect next; this helps build support and community between STOs, strengthening the social economy.

If you're ready to progress to the second money panel we'll carry out our 'financial due diligence'. We look at the financial health of your organisation and how your plans for growth will impact this, because we need to make sure that your organisation is able to manage the repayments. We'll never do this without gaining your consent first – but it is a requirement of Kindred money. If this needs more work, we'll work on it with you.

We also have to carry out legal due diligence. Some of this is done at this point, but some is completed if your investment is agreed.

Money and 'subsidy control'

Kindred's money comes from a public body and is therefore subject to 'subsidy control'. This area is complex and, before you agree to take Kindred money, you should make sure that it's the right type of money for you. We ask you to declare what subsidy – which might be support from other organisations or grants – you've received within the last three years. You'll need to remain under a certain threshold – currently £315,000 over three years – to qualify for Kindred money, so that money to support STOs in the region is shared around.

We're obligated under strict UK regulations to undertake anti-money laundering checks. This involves confirming the identity of your organisation and the people in its governing body, and those with significant control. If you've ever taken on a bookkeeper, accountant, solicitor or estate agent, and had to share proof of your identity, it's a similar process.

And we need to make sure that your organisation is governed well and conforms to all relevant legislation and procedures, by seeing your policies and insurances. Again, this is similar to the information you need to supply if you tender for a public sector contract, for instance.

You'll get to practise your pitch, making sure you're confident and comfortable talking through your investment readiness.

Then you'll join a second money panel of your peers, to show how you're ready for investment.

When we offer you money, we'll develop a bespoke agreement that works for you. (And if you're not quite ready yet, don't worry. You can come back again and again until you are...)

How does the money agreement work?

Money agreements are bespoke to your STO, so each set of terms is different and this includes your repayment terms. This is because we're invested in your success, so we need to agree what works for you; our aim is to avoid lots of onerous reporting and conditions, because that's what STOs have told us works best for them. (Although there are still some statutory requirements we have to comply with!)

As part of your investment terms, you'll choose three impact criteria, which best fit the work you do and your areas of impact growth. This is how your 'social impact returns' are repaid.

Once we've both confirmed that we're happy with the agreement, we'll all sign up and send you the money.

**** This is the first time that we've worked with an 'open round' – that means you ask for money at the stage you're ready, rather than working to deadlines. So we'll review this process after six months to make sure STOs are getting the support they need...**