



# We help you grow your social enterprise through procurement opportunities

Social Traders connects certified social enterprises with business and government buyer members.

Social Traders certification is the only social enterprise certification in Australia. We certify social enterprises across different stages of development, diverse structures and models of impact.

Social Traders certification is your public social enterprise verification.

#STcertified social enterprises are entitled to use our trademarked certification logomark.



# Why certify?



#### Credibility

Social Traders certification is valued by Social Traders business and government members and other organisations across Australia. It is a recognised mark of assurance of your social enterprise credentials.

Certified social enterprises receive exclusive use of our #STcertified logomark.



#### Connect with Customers

Social Traders certification connects you with customers through the Social Traders portal and face to face events.

Your social enterprise will be visible to our business and government member organisations – buyers who are already looking for social procurement opportunities.

You will have an opportunity to attend networking events where you can meet and pitch your enterprise to potential business and government customers.



#### Join the Community

Be part of a growing national community of social enterprise practitioners. Share best practice and challenges with other social enterprise leaders and stay abreast of current sector developments.

You will have access to our network through the Social Traders portal to trade with other social enterprises.



#### Help grow your business

Social Traders will connect you with information, networks and services that can help your business grow.

You can access social procurement market information as well as strategic, legal and other business support.

## **Testimonials**



#### **Ability Works Australia**

"Since certification as a social enterprise in early 2018, we have benefited significantly from the vibrant marketplace created by Social Traders.

Commercial relationships are in development with potential customers and our first successful relationship was cemented last week.

The facilitated introductions to potential buyers in many networking forums has had a synergistic effect. Social Traders have their finger on the pulse of the social sector, they seek constant feedback and think broadly about partnerships between social enterprises. The end result is that we are able to fulfil our purpose by creating more opportunities for people facing significant barriers to employment."

SUE BOYCE, CEO, Ability Works Australia



#### Mirvac

"Access to a network of social enterprises is important. It helps businesses like ours identify future suppliers who put purpose alongside profit.

While we are targeting \$100 million in purposeful procurement by 2030, for us it is beyond targets, it's about our business being a force for good."

ANDREW HILL, Procurement Manager Mirvac Australia



#### **TRY**

"TRY Build has been engaged by two different clients in the Level Crossing Removals Program to deliver over \$80,000 of fit-out works.

These opportunities were a direct result of our involvement with Social Traders, which continues to open up leads with potential buyers that we may not have had access to otherwise."

CLINT WEBB, Manager, TRY Australia

# The opportunity

We estimate business to business procurement in Australia to be worth around \$600b per annum.

Business and government agencies buy a range of diverse products and services.

Since 2018, we have successfully facilitated over \$105m in social procurement deals.

These involve a range of businesses and government agencies. Products and services captured in these deals are diverse, and include infrastructure services, catering, printing, marketing and digital services.

Join more than 300 social enterprises who have chosen Social Traders certification to grow their impact.

## Certification standards

Social enterprises are businesses that trade to intentionally tackle social problems, improve communities, provide people with access to employment and training, or help the environment.

Social Traders certification assures stakeholders that a social enterprise has a social, cultural or environmental purpose as its primary objective, that commercial trade is the main mechanism the organisation is using to sustain itself and that the majority of the organisation's efforts and resources are invested into the social purpose.

## Social enterprise motivations

Social Traders certification puts impact and motivations at the heart of certification.

The impact model of an enterprise will determine what data is collected in the application.



#### **Employment**

Businesses that provide employment, training and support for disadvantaged groups



#### **Community need**

Businesses that create or maintain products and/or services in response to social or economic needs in the community, not met by the market



#### **Profit redistribution**

Businesses that exist to generate profits which are redistributed to social programs or charitable activities

### How we assess?

Our criteria are based on how social enterprises is defined in the Australian FASES 2010 & 2016 research.

Specifically, we look at:

- Purpose does your enterprise have a defined primary social, cultural or environmental purpose consistent with a public or community benefit?
  We look for clear primary social purpose, consistent in the way it is articulated and aligned with your business model.
- 2. Trade does your enterprise derive a substantial portion of its income from commercial trade?

We look at your trading income, based on how long your enterprise has been operating.

- Less than 2 years demonstrable intentions to trade
- 2 to 5 years 25% or more income from trade
- 5+ years 50% or more income from trade

In the event that you have experienced a major strategy shift, you may be treated as an early stage enterprise.

**3.** Reinvestment of profits – does your enterprise reinvest 50% or more of its annual profits towards achieving its rsocial purpose?

We look to see that direct costs associated with your social purpose are equal to at least 50% of your prior year net profit after tax. Where there are no profits to assess we will conduct an additional financial assessment.

A full copy of our standards and guidance notes can be obtained separately.

Contact: certification@socialtraders.com.au

## Ready to certify

Apply for certification here: socialtraders.com.au/certification

Social Traders collects the following legal and financial documents based on the age of the social enterprise:

| 0 - < 2 years                                                                                                                                                      | 2 - 5 years                                                                                                                                                                                                                                 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul> <li>Signed legally binding governing documents*</li> <li>Complete financials (to date)</li> <li>Business plan</li> <li>12-month cash flow forecast</li> </ul> | <ul> <li>Signed legally binding governing documents*</li> <li>2 most recent years of financial statements† at the enterprise level</li> <li>Most recent year of financial statements for the parent organisation (if applicable)</li> </ul> |

<sup>\*</sup>In Yr 1, enterprises without complete governing documents can submit the Social Traders verification certificate, with associated changes to be implemented by Yr 2

#### Information required based on your impact model:



## Are you creating employment or training opportunities?

How much do you spend on wages and direct support costs for your beneficiary employees?



## Are you providing a product or service that meets a community need?

What are the direct costs of providing your product/service?



#### Are your profits redistributed for charitable purposes?

How much do you donate, and invest in managing recipient relationships?

Once your application is submitted it generally takes 10 business days to review your application.

Disclaimer: A broad range of organisations apply for ST certification. In most cases Social Traders will contact you to understand more about your social enterprise model as part of the assessment. There are some organisations that cannot be certified. Please refer to Social Traders website FAO's for more details.

th Yr 1, management accounts are acceptable. In Yr 2 we assess financial statements prepared/verified by a certified accountant or audito

## Next steps:

Start your application today through the Social Traders website.

For more information or to arrange an initial conversation about your application, please contact our certification team at certification@socialtraders.com.au

## SOCIAL TRADERS

Using the power of the marketplace to create social impact & change

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