

Growing ACCOs:

**A Toolkit exploring alternative income
streams for long term sustainability**

WORKBOOK



Growing ACCOs:

A Toolkit exploring alternative income streams for long term sustainability

This toolkit has been developed to assist ACCO's investigate a range of alternate income streams for long-term ACCO sustainability.

ACKNOWLEDGMENT

We acknowledge the traditional custodians of this land, and we pay our respects to the Elder's past, present, and future for they hold the memories, culture, and dreams of the Aboriginal and Torres Strait Islander people.

We recognise and respect their wisdom, cultural heritage, beliefs, and continual relationship with the land. We recognise the importance of the young people who are the future leaders. We acknowledge and respect their past and current contribution to the life of this place.

Indigenous sovereignty has never been ceded in Australia and we try to be mindful of this in everything we do.

ACKNOWLEDGMENT OF ARTWORK



The artwork used throughout this Toolkit is called:

Bunuru (the second summer) by local York Balladong artist Robyn Davis © 2021

The image represents the Noongar season Bunuru – The Second summer. Orange represents this season which is the hottest time of the year.

This image reflects the harsh conditions faced by Aboriginal people and ACCOs trying to survive and grow to achieve better outcomes for all.



Growing ACCOs Toolkit: Website and additional resources:

www.growingaccos.org



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Section 1: Quick Review Checklist (how are we going now?)

Item for Consideration	Doing Well?	Doing OK but needs work?	Don't use / an opportunity?
Is our mission still relevant and are we moving towards it?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We are maximising our existing resources	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1. Are our finances healthy and helping us achieve our goals?			
2. Reviewing Investments & Reserves	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Maximising Assets	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Grants / Funding	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Donations and Volunteering	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Membership Fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Fundraising	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commercialisation (Sales or Earned Income)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Collaborating and partnering with others (Travelling together)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Social Innovation Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

WE WISH YOU SUCCESS ON YOUR JOURNEY!



Section 2: Organisation Review & Income Options Review

Question / Action	Your Organisation Response	Notes / Issues to address
Organisation Review		
Defining and refining your mission		
1. Who are we? (Are we clear on our purpose? (Why we exist?) (Complete in the <u>ACCO Model Canvas</u>)		
2. Is our mission still relevant?		
3. Do we need to review our Mission, Goals and Objectives?		
4. What do we do? (What are our key activities, programs, and services?) (Complete in the <u>ACCO Model Canvas</u>)		
5. Does what we do help us achieve our mission?		
6. Why do we do it? (Why are your goals important? What would happen if your organization was not able to accomplish its goals?) (Complete in the <u>ACCO Model Canvas</u>)		
7. What is our value proposition? (What makes your service special and gives benefit to your clients?) (complete in the <u>ACCO Model Canvas</u>)		
8. Do we have a strategic plan?		
9. What are your organisation's goals this year?		
10. What has your organisation accomplished to date?		
11. Do you know how much money you need from donors to accomplish your goals?		
12. Can you share one or two stories of individuals whose lives have been changed because of your organization?		

Environmental Scan			
13. Review the ACCO Model Canvas and complete as much of it as possible including: <ul style="list-style-type: none"> • Your Mission (and how you measure achievements) • Why you exist and who your clients are • What activities and services you provide (what you do?) • How much it costs to provide your services • What existing income streams you have? • What key resources you currently have • What existing partnerships you have • Your key competitors (who else is servicing your clients or competing for funds?) • Key challenges you are facing – this may include what difficulties or competition you have for staff, physical resources (e.g. Housing), clients. • What makes you different from other NFP's / ACCOs 			
14. Who benefits when we succeed?			
15. Who loses if we are not around?			
Financial Health			
16. Have you undertaken a quick financial health check (see resources)?			
17. Are we profitable? Do we have enough assets for ongoing operations?			
18. Do we have good diversity in our income / revenue streams? List the various funding bodies and income sources you have:			
Funding source	For what?	Amount (\$)	Ongoing or time based? (is it at risk?)

19. Are our Financial Ratios healthy? (Review your Key financial ratios (refer to the Key Financial Ratios Tool))		
20. Liquidity ratio (months of spending) – the number of months of cash currently available to cover expenditure. $\frac{(Current\ Assets - Current\ Liabilities)}{(Total\ Expenses - Depreciation)} \times 12 = Months$		
21. Liquidity ratio (current ratio) – the ability to meet financial commitments in the next 12 months. A ratio of less than 1.5 is concerning. $\frac{Current\ Assets}{Current\ Liabilities\ (includes\ unexpended\ funds)} = ?$		
22. Debt ratio (debt to total assets ratio) – how much of your assets are funded by debt. A result close to 0.00 is preferred. $\frac{Total\ Liabilities}{Total\ Expenses - Total\ assets} = ?$		
23. Return on Assets ratio (measures how well you manage your assets to generate a surplus (profit)). Best if this is higher than the annual rate of inflation. $\frac{Total\ Revenue - Total\ Expenses}{Total\ assets} = \%$		
24. Are we financially solvent? (Do we have enough cash to keep operating?) What is our working capital? $\frac{Current\ Assets}{Current\ Liabilities} =$		
25. Will we be able to meet all obligations in the short-, medium- and longer-term?		
26. Do we have enough resources to achieve our goals (are we OK? Under resources? Over resourced?)		
27. Is the time and resources you put in to obtaining that funding worth it? (e.g. If it is only 7% of your total but it takes 10% of your resources to obtain – is it worth it?)		

Financial Planning & Governance		
28. Do we have a financial plan?		
29. Does our organisation have a fundraising strategy?		
30. Do our plans and reports work for our organisation (or do we need to modify them?)		
31. Do we regularly plan for the short- medium and long term?		
32. Do we review our finances regularly and understand what the different reports mean?		
33. Are our plans supporting our mission and goals?		
34. Do we actively work together (Board and staff) to achieve financial sustainability and good financial management?		
35. Do our Board members have good financial literacy? (You could do the Financial literacy self-assessment quiz ?) (See page 75 in Damn Good Advice for Board Members resource.)		
36. Do we have up to date financial reports? a. Last audited statement b. Profit and Loss report c. Income and expenditure report d. Balance sheet e. Others?		
Financial Review		
37. Are there areas we can save money? (e.g. Can we outsource some of our work for reduced cost?)		
38. Are there ways we can combine or better use our resources?		
39. Can we restructure our staffing to be more efficient?		
40. Can we better use our assets		
41. Can we “stage” our activities or projects to spread funding requirements?		

Investment & Reserves		
<p>42. Sustainability ratios (profit margin – surplus margin) – how much you build reserves (money put aside) from revenue (income). Best to have positive figure – if continually negative may indicate non viability longer term. $\frac{(Total\ Revenue - Capital\ Grants - Total\ Expenses)}{(Total\ Revenue - Capital\ Grants)} = \%$</p>		
43. Do we have enough reserves (sustainability ratios?)		
44. Do we have an investment policy?		
45. Are we able to access our investments quickly in times of need?		
46. Do we have investments and are they performing well?		
47. Can we invest more or differently to get better returns?		
48. Do we have a professional to help us manage our investments?		
49. Is this something we should follow up in the short – medium – long term (or never)		

Assets		
50. Do we have an up-to-date asset register?		
51. What level of assets is required to maintain and develop our organisation?		
52. Do our Resource and Asset allocation align with strategic priorities? (E.g. Does the creation of this overhead help us meet our objectives?)		
53. Can they be replaced or enhanced over time for sustainability?		
54. Can we increase ownership of assets and conversion to other means to meet our goals? (are we maximising our assets?)		
55. Is it possible to share assets to reduce costs and improve efficiency and profitability?		
56. Do we have sufficient cash to invest in change and replace assets? (Do we need to consider new assets, R&M, upgrades (e.g. IT, buildings, vehicles))		
57. Can we get more out of what you've got? (Do we have under-used or over-used assets (e.g. Un-used or too many vehicles or space?))		
58. Can we better leverage our assets? (e.g., rent out parts of our buildings?)		
59. Is this something we should follow up in the short – medium – long term (or never)		

Grants / Funding

60. Do you know how many grants you currently have; how much they are for and what they are for?		
61. Do you have a grants calendar that identifies opportunities and when they are due?		
62. Have you identified what you need to meet your goals? (what you want to do / fund that will help meet your organisation goals) (Brainstorm and make a list of all the things you would like to do (if you had the money).		
63. Research what grants are available that match your need		
64. Identify and shortlist the best options for you to apply for (See the list of various search tools in the resources section.		
65. Read the Guidelines and start the process of applying for funding.		
66. Do you have all relevant organisation information you need for applications readily available in one place?		
67. Do you manage your current grants well?		
68. Are you often successful when you apply for grants? Do you have access to a successful grant writer?		
69. Is this something we should follow up in the short – medium – long term (or never)		

Donations and Volunteering

70. Do you have a good membership list that can be the basis for sponsors?		
71. Do you currently receive donations? (are you a DGR recipient?)		
72. Do you know how much you receive in donations?		
73. Do you have the administrative setup to receive donations easily?		
74. Do you know what support you would like from others (general, financial, project, volunteers, physical items?)		
75. Why should donors trust your organization?		
76. What can your organisation offer donors in exchange for a donation? (e.g. Regular project updates, recognition in an annual report, naming opportunities)		
77. Are you listed online (your own website and other sites) so people can find you and support you?		
78. Do you have a great story / brief so that people have a good reason to support you? Can you share one or two stories of individuals whose lives have been changed because of your organization? (Always seek their permission before sharing their stories.)		
79. Do you currently use volunteers (do you know how many and what they do?)		
80. Do you have a clear volunteer program and the supports in place to manage and support them?		
81. Have you got a list of projects, tasks that volunteers can help with?		
82. Are you registered with online volunteer sites so people can find you?		
83. Is this something we should follow up in the short – medium – long term (or never)		

Membership Fees

84. Do you charge for membership to your community group? Should we?		
85. Do we want to make money, or do we want to grow numbers?		
86. What is our “value proposition”? Why would someone want to be a member of your organisation? (what can we offer them in return for their membership?)		
87. What type of memberships do we / or could we have? (Each membership category should offer something different. You need to offer value for money in each category)		
88. What do we charge? Should we increase it? Is it tax deductible?		
89. Is this something we should follow up in the short – medium – long term (or never)		

Fundraising

90. Do you have experience fundraising?		
91. What has worked for us before?		
92. What type of fundraising can we do? Do some brainstorming to find fundraising activities that might suit your organisation?		
93. Are there any Indigenous specific ideas that might attract supporters? (e.g. Food, music, art, tours)		
94. Is this something we should follow up in the short – medium – long term (or never)		

Crowd Funding

95. Do you have the resources (IT and people) to build a crowdfunding campaign?		
96. Do you need professional help?		
97. Will Crowdfunding help our mission?		
98. Are we clear on our goals? (how much to raise? How many people to engage?)		
99. Do we have a “crowd” of people that might support us (or do support us) that can share our campaign? (this might include members, supporters, family, friends, native title group)		
100. Do we have a way to tell your story to engage supporters?		
101. Is this something we should follow up in the short – medium – long term (or never)		

Events & Marketing

102. Do you have the resources to put into the event? Can you use volunteers to help?		
103. What is the purpose / goal of our fundraising event (to raise awareness, raise money, say thanks to supporters?)		
104. Do you have some ideas about some fundraising events? (A brainstorming session to find fundraising		

activities that might suit your organisation and location is recommended?)		
105. Is this something we should follow up in the short – medium – long term (or never)		
Marketing		
106. Do you have a marketing plan?		
107. Do you currently do any marketing? (Why and What?)		
108. Are you able to tell people (in great visual form) about you, the great work you do, your successes and how they can help?		
109. Do you know who your customers (or potential supporters) (and what their needs are)?		
110. Do you know who your competitors are (or organisations doing very similar things to you) and what they are doing?		
111. Do you have a good list of potential contacts (see Donors, members also)?		
112. Is this something we should follow up in the short – medium – long term (or never)		
Marketing and the Web		
113. Do you have any social media or online presence? (e.g. Website, Facebook, Instagram, Twitter, Linked In, Pinterest?)		
114. Do you have access to the internet?		
115. Do you think people know about you and what you do?		
116. Do other people such as donors promote you to others?		
117. How do your customers, clients, funders, donors interact online?		
118. Is this something we should follow up in the short – medium – long term (or never)		

Commercialisation (Sales or Earned Income)

119.	Is commercialisation right for us?		
120.	What type of commercial activity can we do?		
121.	What are we very good at? What can we use to bring in additional income?		
122.	Complete the Mills Oakley (MO) commercialisation checklist for more detailed questions if you are considering this option.		
123.	Is this something we should follow up in the short – medium – long term (or never)		

Partnering and collaborating with others (Travelling together)

124.	Why are you considering a partnership? (Are there other ways to achieve what you want?) (Which community or client priorities will this partnership support?)		
125.	Are there Review projects and Programs that might be suitable for a partnership arrangement?		
126.	What is the goal of the proposed partnership? (do you have a shared purpose and strategy?)		
127.	Do you feel respected and valued by the potential partner?		
128.	Can you leverage each other's strengths?		
129.	What is each party getting out of the relationship?		
130.	Are you willing to give up a little bit of control to collaborate?		
131.	Have you reviewed <u>the partnership assessment checklist (VicHealth)</u> to review key aspects of a potential partnership?		
132.	Are there other ACCOs that you already have a relationship with that can be built on for further support and development opportunities?		
133.	Is this something we should follow up in the short – medium – long term (or never)		

Social Innovation Options

134.	Is our organisation ready to engage with Social Investment or Social Enterprise?		
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Section 3: Next Steps

Next steps

Shortlisting Income Options			
135.	Complete Section 3 of the Workbook to review each of the Income Streams against your notes and determine their priority for follow up.		
The Big Picture (ACCO Model Canvas)			
136.	Transfer responses in the Workbook to the ACCO Model Canvas for big picture overview		
Action Plan			
137.	Determine an Action Plan to take this forward. (Review your Notes & Issues to Address Transfer any actions from Section 1 into a Plan of Action (including the what – who – when)		
138.	Ongoing Review – Consider including an Annual review process (if you don't already) to continue to evaluate alternative financial options to meet changing situations.		
Getting Professional Advice			
139.	Before committing to any course / new income stream, it is important to make sure you obtain relevant Business, Legal, Tax, Accounting, and other relevant professional advice.)		

Section 4: Summary of Income Streams to investigate:

Income Stream	Yes (to investigate) – Short / Medium / Long Term	Priority for Follow Up	Who To Champion?	Notes
1. Maximising existing resources				
• Investment & Reserves – interim / long term				
• Assets				
2. Grants / Funding				
3. Donations and Volunteering				
• Other ways to give (donate)				
• Volunteer support				
• Corporate Sponsorship				
4. Membership Fees				
5. Fundraising				
• Crowdfunding				
• Events & Marketing				
6. Commercialisation (Sales or Earned Income)				
7. Partnering and collaborating with others (Travelling together)				
• ACCO's Together (building the capacity of each other)				
8. Social Innovation Options				
• Social Investment				
• Social Enterprise				