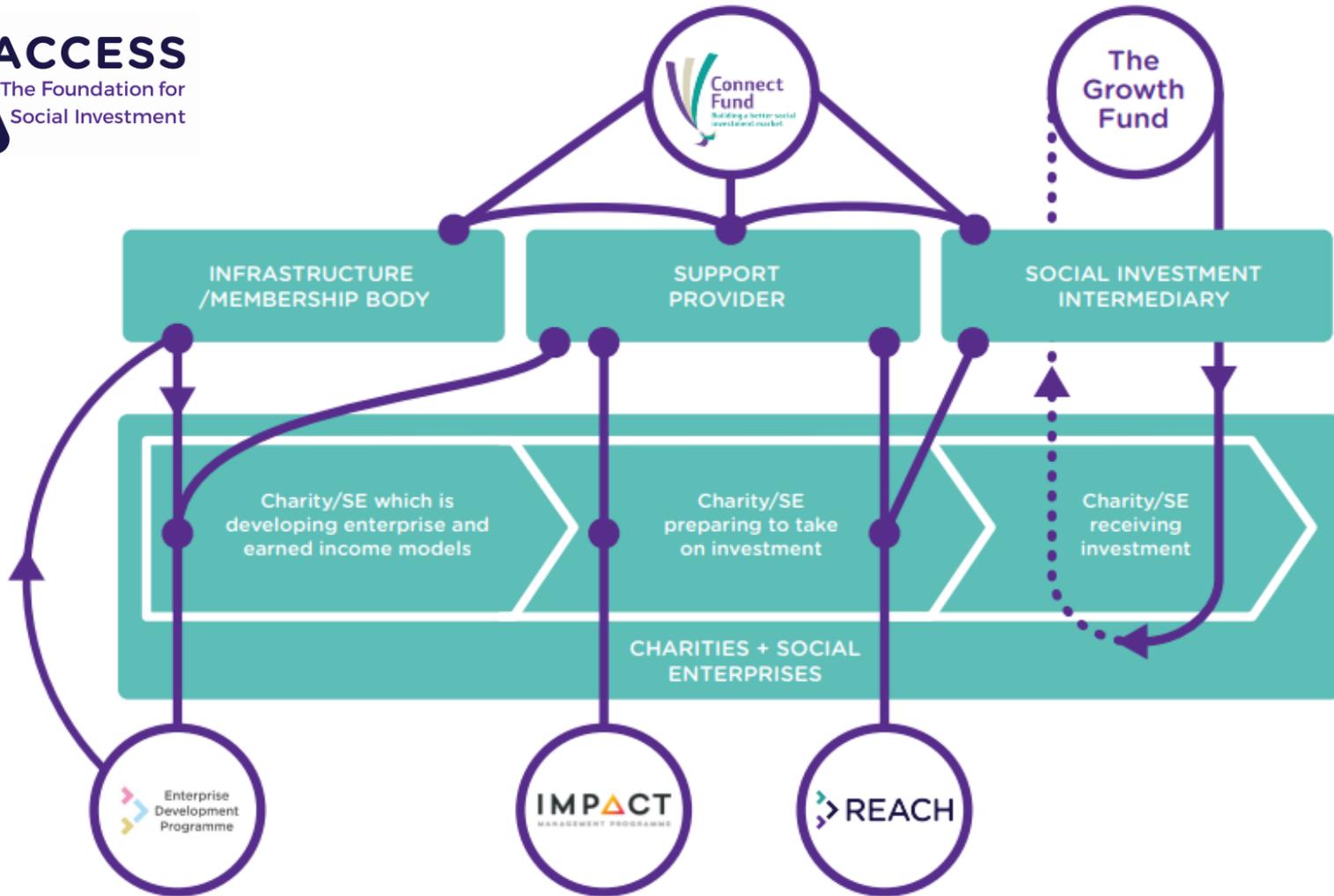




Social Investment

What it is and why it might be relevant for you

Youth Investment Fund event, 11 July 2019

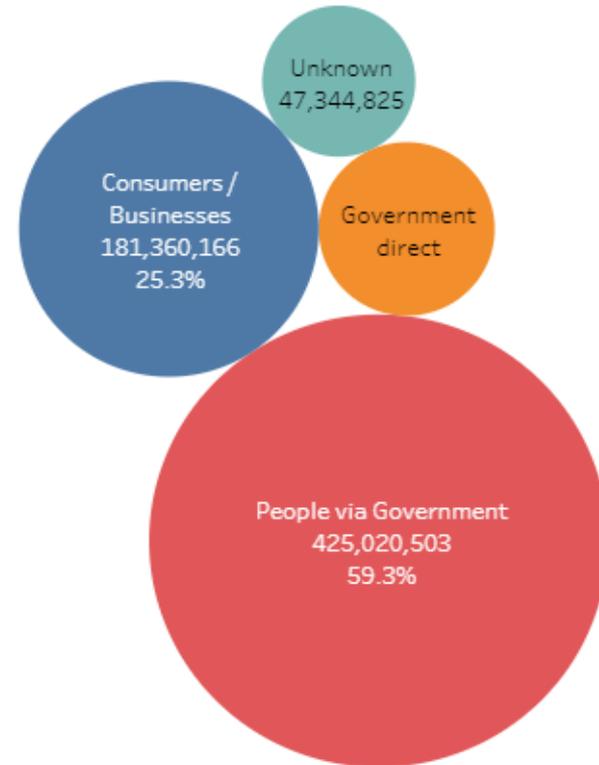
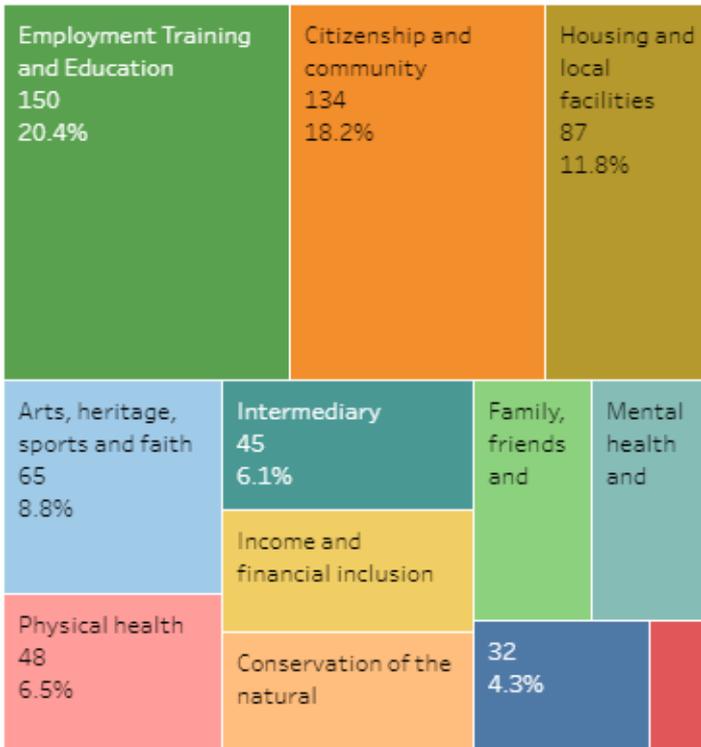


Who receives social investment?

Revenue source & Business models > choose what is displayed on left & right. Click on the left to filter the right.

£716,149,453 invested across 736 deals, with a median of £138,889

Outcome area Count # Revenue source Sum £

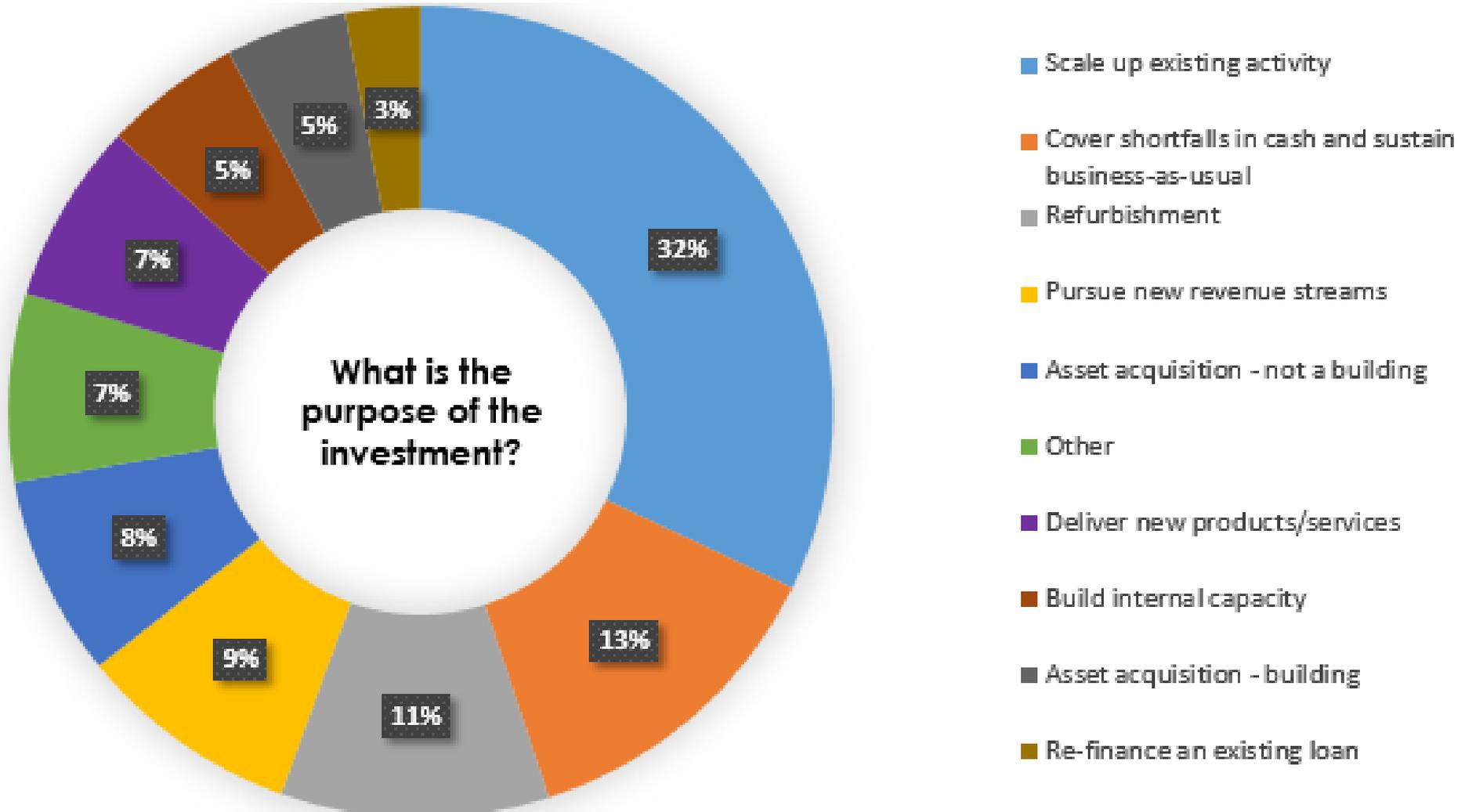


tableau

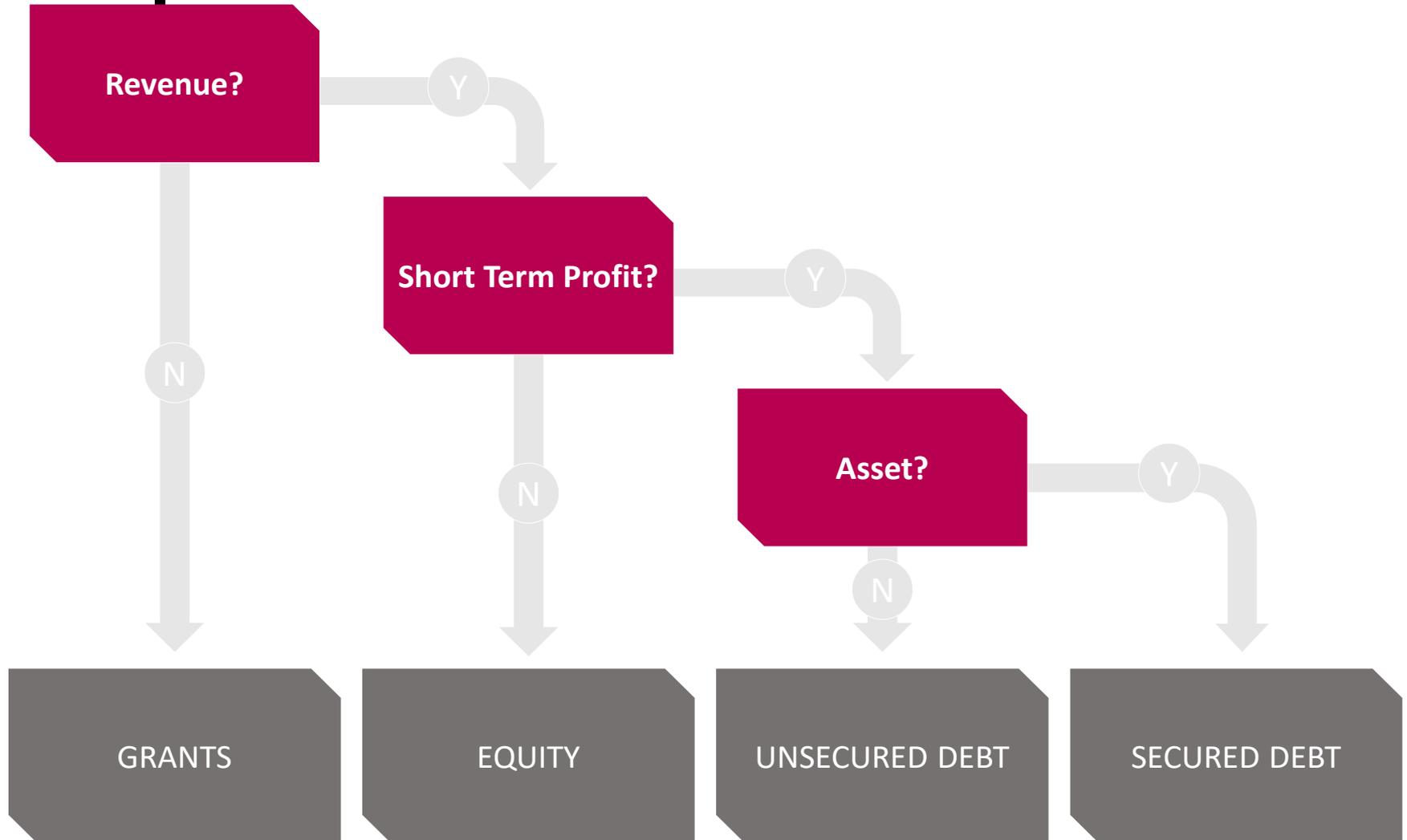


<https://www.bigsocietycapital.com/latest/type/blog/data-dives-no3-%E2%80%9C-what%E2%80%99s-business-model%E2%80%9D>

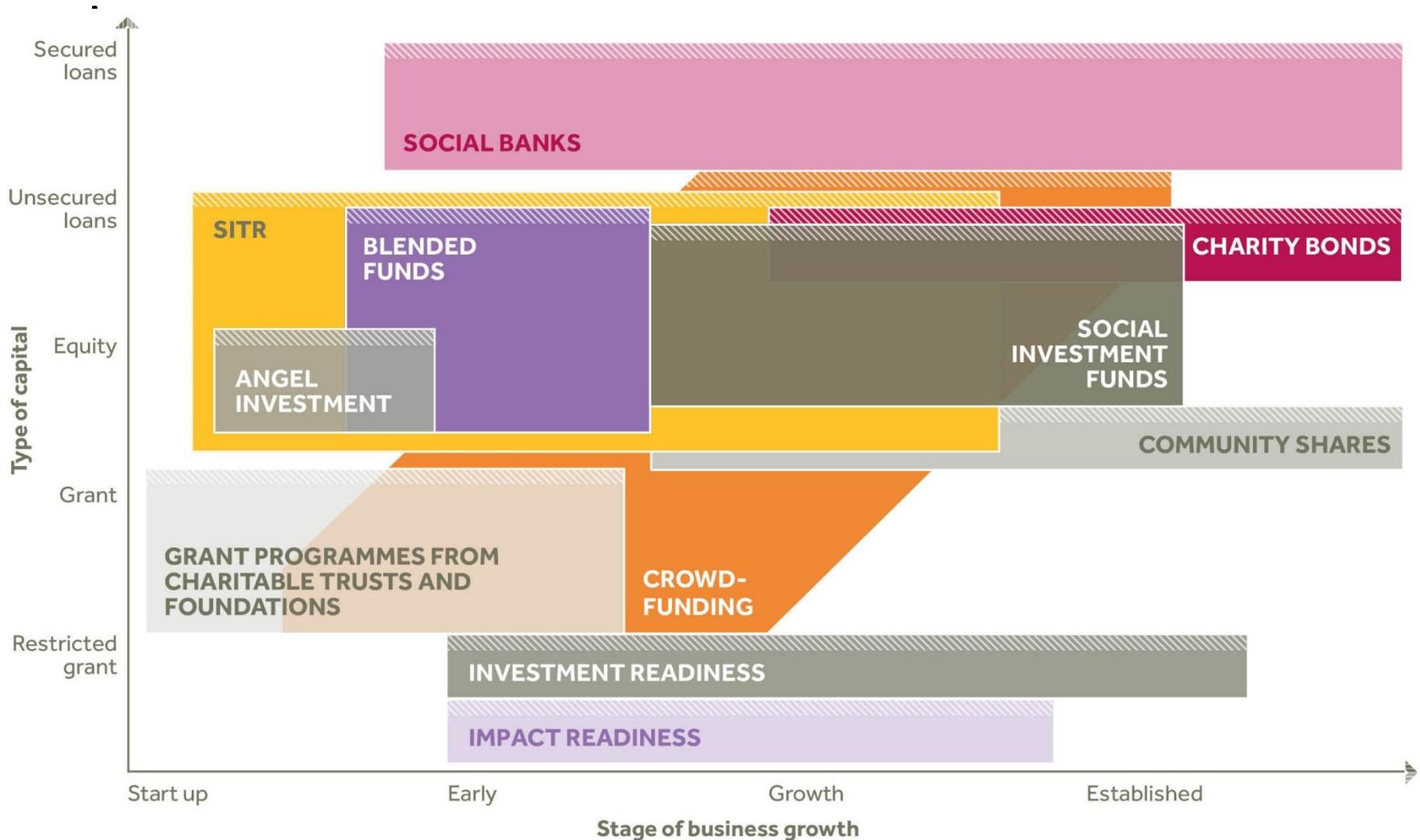
What have they used (Growth Fund) for?



How to fund your intervention? A simplified view...



A more complex view of funding





Investment Readiness – REACH Fund



Investment readiness grants for charities & social enterprises via social investor 'Access Points'

290

Grants awarded to date

£4.07m

Grants awarded to date

39

Grants awarded this quarter

£593k

Grants awarded this quarter

29

Social investor 'Access Points'

£14.04k

Average Grant size



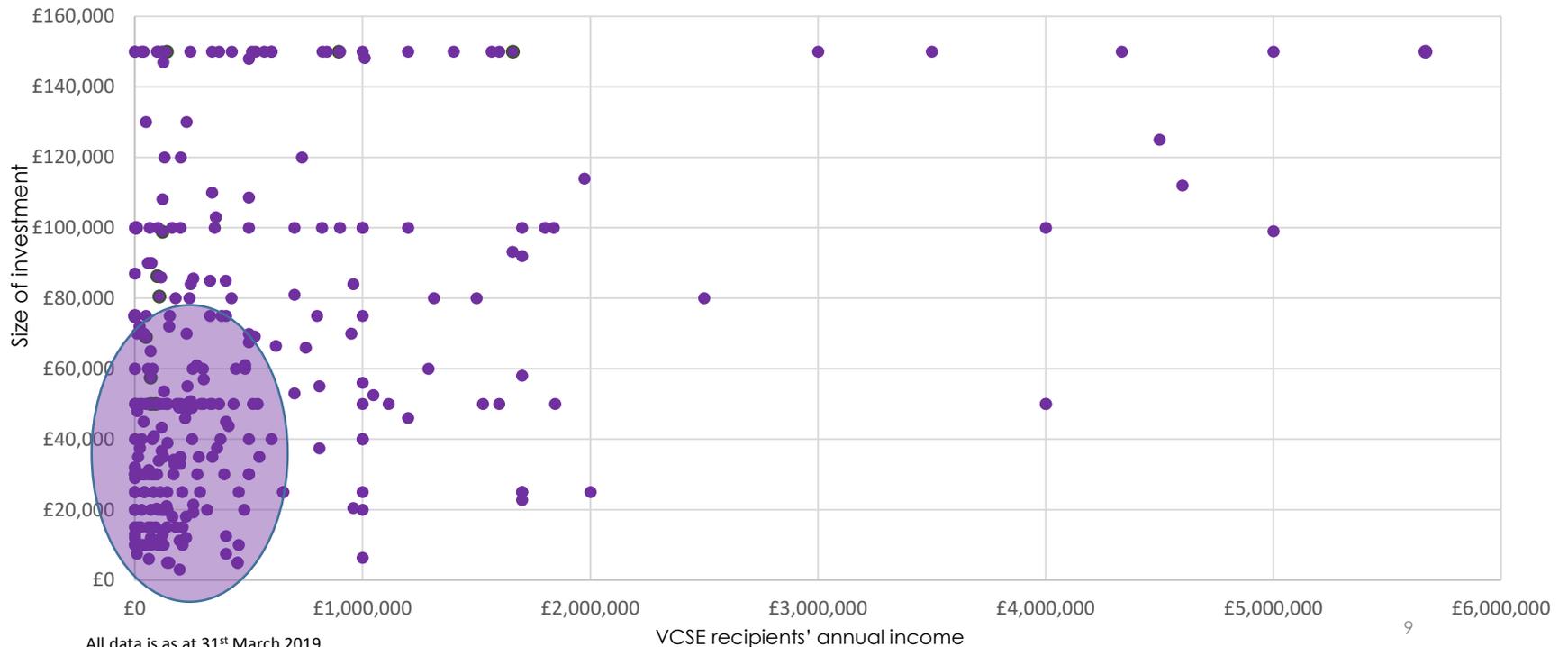
For more information see reachfund.org.uk

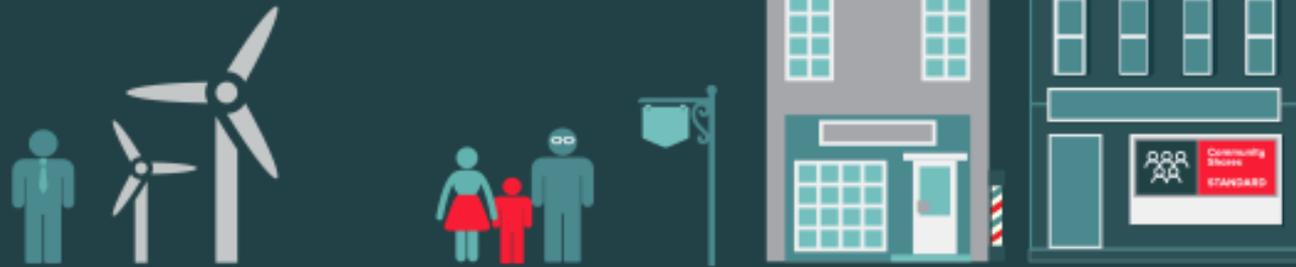
Blended Finance – Growth Fund

Portfolio Characteristics

Annual Income of Investees vs Size of Investment

The majority of investments are into VCSEs with an annual turnover of less than £1m, signifying the small-scale of these organisations that receive funding. A small number of investments have been made into organisations with turnovers over £2m which skews the average turnover size for investees. In order to provide a meaningful graphical representation, investments into organisations with a reported turnover of over £6M have been excluded from the graph below. That criteria excludes six investments, with the largest annual turnover for a recipient VCSE being £13m.





- Since 2009 around **120,000 people** have invested over **£100m** to support **350 projects** across the UK
- Withdrawable share capital
- Max £25k per investor
- Can pay interest, sometimes waived
- Community Benefit Societies only

Crowdfunding

- About developing and leveraging support, not just money. Builds networks
- Takes time, not a quick fix
- But a good source of free or repayable investment and can sometimes be matched



Social Impact Bonds



www.goodfinance.org.uk/wizard/profiler

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Understanding social investment **Is it right for us?** Investors & advisers Case studies Measuring social impact

1. Is it right for us? 2. Your financial needs 3. Results

Is it right for us?

Answer the questions in this tool to find out if social investment could be something you should consider

Some information about you

Length of time your organisation has been in operation

- None -

Legal form of your organisation *

- Select a value -

Geographic location your organisation operates in

- None -

What is your organisations annual income?

- None -

Do you know what your organisation needs the money for? *

Yes

No

Do you know where the income to repay the investment will come from? *

Yes

No

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Understanding social investment Is it right for us? Investors & advisers Case studies Measuring social impact

Explore specific types of social investment

Use our tool below to explore specific types of social investment funding

All Shares Borrow Other

BORROW

Blended – part grant, part loan

A package of funding that is a mixture of investment, that needs to be repaid and a grant that doesn't need to be repaid. For example, a grant of £20,000 alongside a loan of £50,000 that needs to be repaid over 5 years with 10% interest.

Read more +

BORROW

Charity bonds

A tradable loan from a group of social investors to a charity or social enterprise over a fixed period of time with a fixed rate of interest. For example, if you issued a £2million bond over 5 years at 2% interest in 2017, you would pay the social investors £40,000 interest each year and repay the £2million in 2022.

Read more +

SHARES

Community shares

A withdrawable, non-transferrable equity investment into a cooperative or community benefit society. It is a form of equity because the investors get a share of the organisation.

Read more +

OTHER

Crowd-funded



Neil Berry

Director of Programmes

neil.berry@access-si.org.uk

07947-343237 @neilberry1