

DEAR FRIENDS,

The three years since we launched the first of our two funds have passed very quickly. When we look back we realise how much we have achieved and how much we have learned. Social and Sustainable Capital was born from a desire to support social sector organisations in the UK.

We aim to help deliver scalable and sustainable solutions to social issues by providing social sector organisations with investment that will allow them to grow and to help those most in need in our society today. SASC is a social investor. We believe greater access to the right kind of finance makes charities and social enterprises better able to tackle large scale problems such as poverty, homelessness and unemployment.

The purpose of this report is to share our success with you and to show the difference that our investments are making to the lives of the most disadvantaged in UK society. The charities and social enterprises we have invested in do extraordinary work. Thanks to their efforts, vulnerable people and families across the UK are gaining better access to quality education; being cared for by their local communities; developing lifelong skills through employment and training; and the list goes on. We could not be more proud to be able to say this. We hope

...our first 3 years

that this report does justice to the commitment and dedication of the organisations SASC has supported.

SASC has celebrated many successes in the last three years. These include launching our second fund, the Third Sector Loan Fund (TSLF) in October 2014; developing an innovative partnership with the Power to Change charitable trust; and building a first-class investment team to take our work forward. Just this month our investment committee approved our 16th investment. Of course we also face a number of what can sometimes seem intractable challenges. Social investment is a complex process to begin with because it has to combine two bottom lines. It becomes even more challenging to provide repayable finance to social sector organisations in a world where their main source of income, public spending, is being cut year after year. We've responded by trying to develop a more flexible investment offering. This involves working creatively and in partnership with potential investees to address the unique set of problems they each face. We are in the process of relaunching The Third Sector Loan Fund in order to incorporate what we have learned over the last three years.

We are delighted to have made twelve investments over the last three years. These investments have seen us provide more than £8 million of funding to front-line organisations. We continue to believe that the best way to do this is by thinking through carefully both financial and impact risk. We are a social enterprise ourselves. That means it forms part of our DNA that investing is only a means, not the end. If we and our peers in the sector can get it right, social investment can play a crucial role in what are undoubtedly highly challenging times for the most marginalised members of our society.

**OUR MISSION
IS TO HELP
SOCIAL SECTOR
ORGANISATIONS
DELIVER
SUSTAINABLE
SOLUTIONS TO
SOCIAL ISSUES
ACROSS THE UK.**

**NAT SLOANE,
CHAIR OF THE BOARD
BEN RICK,
CO-FOUNDER AND
MANAGING DIRECTOR**