

“What does it Mean to Start a Social Enterprise”

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Table of Contents

INTRODUCTION:	1
WHAT IS SOCIAL ENTERPRISE?	1
SOCIAL ENTERPRISE – IS IT RIGHT FOR YOU ORGANIZATION	2
WHY SOCIAL FINANCE IS NEEDED IN CANADA	4
What is Social Finance and what does it mean?	4
FINANCE AND SUPPORT- HOW ARE SOCIAL ENTERPRISES FINANCED?	5
Government’s role in Financing	6
Financial intermediaries	6
IMPLICATIONS FOR ORGANIZATIONS STARTING A SOCIAL ENTERPRISE	7
<i>Mission/Purpose – Why start a Social Enterprise?</i>	7
<i>Industry Sector</i>	10
<i>Target Populations</i>	10
LEGAL STRUCTURE – WHAT ARE THE DIFFERENT FORMS OF SES?	11
THE IMPORTANCE OF METRICS- HOW TO MEASURE YOUR SOCIAL IMPACT?	12
FINAL THOUGHTS	13
GLOSSARY	14
ADDITIONAL RESOURCES	15

Introduction:

Government resources and charitable donations cannot address the world's social problems by themselves. Government funding is becoming scarce and will never fully satisfy Canada's social and environmental needs. As a result, Canada's charitable and non-profit sectors are significantly underfinanced and undercapitalized. Traditional philanthropists are limited in their capacity to meet this need, charities' investment accounts have been reduced, corporate and foundation philanthropy has regressed, and access to capital for non-profits is more limited than ever.¹ A gap currently exists between government supported services and services rendered by the non-profit community. Despite the scarcity of traditional governmental financing, the door is wide open and there are many opportunities for innovative solutions to sustain the work of charitable and non-profit organizations. Some charities and non-profits are looking to social enterprises (SEs) as a way to diversify their funding base in today's marketplace. At the same time many organizations readily admit that they do not fully understand what it would mean to develop a social enterprise. Will it be the right fit for their organization? Do they have the skills, staff and capacity to start a social enterprise? Just like any small business, will the enterprise grow and thrive in the marketplace? This Primer is designed to provide organizations with some guidance as to what it means to start a social enterprise.

What is Social Enterprise?

Social enterprises can broadly be defined as “any organization or business that uses the market-oriented production and sale of goods and/or services to pursue a public benefit mission. This covers many organizational forms – ranging from enterprising charities, non-profits and cooperatives with a long tradition in Canada to social purpose businesses that are a more recent innovation.”²

Social enterprises are not a new addition to the charity and non-profit world. Museums and art galleries have operated gift shops as a way to generate revenue to support their exhibits and promote art.³ Service organizations such as the YMCA and YWCA have used fee-based programs to support their charitable activities.⁴ Many non-profit social service or relief agencies have operated thrift stores as a means of generating revenue for their activities and providing low-cost goods to their clients.⁵ In fact, the SE sector seems to be more mature than many researchers initially anticipated. For instance, a recent survey found that nearly a quarter of all respondent SEs in Ontario had been in operation for more than 10 years; in Alberta, the average age of SEs was 24 years with the oldest SE being founded in 1950, and in BC the

¹ Your Guide to Social Finance – Causeway Social Finance Initiative <http://socialfinance.ca/guide>

² Monitor report. <http://www.monitorinstitute.com/impactinvesting/>

³ http://www.enterprisingnonprofits.ca/about_social_enterprise/definitions

⁴ The Canadian Social Enterprise Guide 2nd Edition <http://www.enterprisingnonprofits.ca>

⁵ The Canadian Social Enterprise Guide 2nd Edition <http://www.enterprisingnonprofits.ca>

average number of years of operation was 15. There are also constantly new additions to the sector; in Ontario, 23% of respondent SEs were less than 2 years old, and BC and Alberta are seeing new additions to the sector each year as well. The trend indicates that more non-profits are engaging in social enterprise now than before.

There are several reasons that support this sudden growth. First, government funding has diminished. In its place, organizations are looking to SE as a form of generating revenue. Another reason for the growth is that organizations are filling a gap in the market. There is an increased understanding among organizations that the market will never meet all the needs on its own. Organizations have been establishing SEs in order to advance mission-related goals. Finally, the increased growth can also be attributable to the use of SE as a vehicle for social innovation.⁶ Individuals are combining their business and social skills, along with a passion for change to use market mechanisms to achieve social good.

Types of social enterprise
Embedded in parent organization
Larger than parent organization
Stand alone enterprise
Non-profit corporation
For-profit corporation

Social Enterprise – Is it right for you Organization

Starting a social enterprise is a very significant decision for any organization. It is not an easy task and should not be considered as a simple cure for struggling organizations. SEs require a considerable investment of time, capital, energy and a strong long term commitment. To succeed, organizations must endorse a complex cultural transition away from risk avoidance and grant-seeking, and embrace an entrepreneurial mindset.⁷ Social enterprises require strong leadership that can balance business and mission, a sound business plan, adequate start-up funding, and provide significant organizational support.⁸ It is important to consider that at the end of the day, SEs are similar to any small business. They vary in the amount of revenue that they earn and are unlikely to earn a profit in the first three to five years of operation.⁹ With this in mind, organizations interested in establishing an SE should undertake the necessary planning well ahead of embarking on such an activity. SE. For example, prior to embarking on your path of establishing a social enterprise, your organization should begin by considering the following questions developed by [Enterprising Non Profits](#):

⁶ The Canadian Social Enterprise Guide 2nd Edition <http://www.enterprisingnonprofits.ca>

⁷ [Social Enterprise in Calgary Research Summary - United Way](#)

⁸ [Social Enterprise in Calgary Research Summary - United Way](#)

⁹ ENP, p. 10.

1. Will starting an enterprise help you achieve your organizational mission?
2. How good a fit is the enterprise idea with your overall social mission?
3. What do you want to accomplish through your social enterprise?
4. Is a social enterprise a good way to achieve these objectives, or is there some better way?

To minimize the risk associated with starting a SE, these questions must be followed by extensive research and planning. For more information on the planning of a SE, please see enterprisingnonprofits.ca

Once your organization has decided to start an SE, you must consider the legal framework. As previously noted, under the current legal framework, the decision whether to operate as a for-profit or non-profit structure has both positive and negative implications for the organization. By choosing to become a for-profit SE, organizations will lose many of the benefits of tax-free status and eligibility for government funding will be hampered. However, the organization will be able to attract a new type of investment from private capital sources. By remaining a non-profit, organizations retain the benefits of tax-free status and remain eligible for government funding, but are very limited in the methods they can employ to access capital. In many cases a hybrid structure is embraced with a non-profit parent with a subsidiary social enterprise. Some intermediaries in Canada are developing [patient capital](#) funds to address the capital needs of non-profits. See for example the [Chantier de l'économie sociale](#).

Charities wishing to establish a SE must be very careful to follow the current laws governing the running of a business by charities, otherwise the organization can risk losing its charitable status all together. CRA only permits charities to engage in “related business” – those that are run substantially by volunteers or, that are linked and subordinate to a charity’s purpose¹⁰. The [BC Centre for Social Enterprise](#) has prepared an information guide on 5 ways your organization could lose its charitable status under the current regime. It also offers a new service called Charity Check-ups which, for a modest fee, they undertake a thorough review of charity compliance and any recommended next steps. For new charities the the BC Centre for Social Enterprise offers assistance setting up the accounting ledger, and for NFPs considering charitable status they can help with the decision-making process and completing applications to CRA. For more info please see the [BC Centre for Social Enterprise](#).

Non-profits interested in pursuing social enterprises require additional training and funding to ensure that a completed feasibility study and business plan are undertaken to support their endeavour.¹¹ **They should also review their internal capacity, tap into their strengths, and identify the gaps in skill sets prior to hiring or outsourcing additional skills.** If after doing this

¹⁰ Canadian Task Force on Social Finance. “Mobilizing Private Capital For Public Good”. *Final Report of the Task Force on Social Finance* (December 2010).

¹¹ [Social Enterprise in Calgary Research Summary - United Way](#)

initial work, you decide against starting a social enterprise, this should also be considered a valuable outcome.

Non-profits are subject to guidance by CRA and cannot have any profit earning purposes, regardless of the organizations intended use of the profits. While understandable given the tax implications of the non-profit status, the result is to discourage organizations from using enterprises to generate program funds or improve their overall sustainability.¹²

Why Social Finance is Needed in Canada

What is Social Finance and what does it mean?

Non-profit organisations have long been the pulse of the social economy. They have generally been financed by government grants and philanthropy while not focusing on generating financial returns. Today, however, funding the social economy now includes a new approach to social investment: social finance.

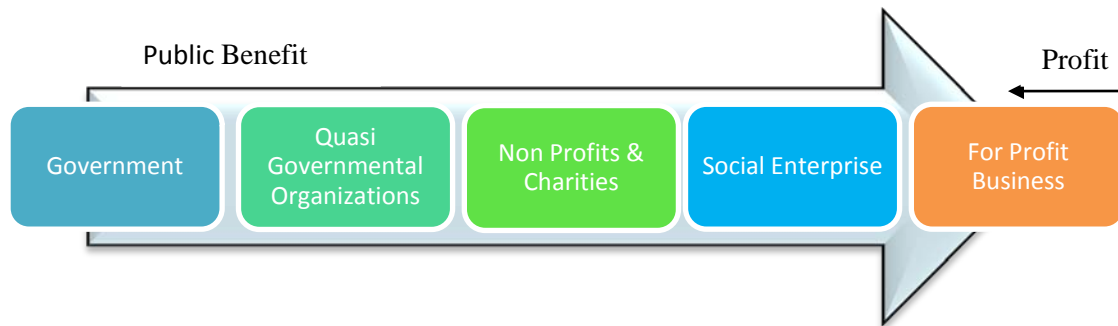
[Social Finance](#) is an approach to managing money that delivers social and/or environmental benefits, and in most cases, a financial return. Sometimes called impact investing, social finance encourages positive social or environmental solutions at a scale that neither purely philanthropic supports nor traditional investment can reach.

Social finance has a broad scope and applies to a wide range of organizations and activities. To better understand its meaning, social finance can be broken down to provide greater context. The word “social” refers generally to the “social sector.” This sector includes 85,000 registered Canadian charities (including foundations). More generally, the sector expands to include the 160,100 plus non-profits and charities. The social sector could include all those non-profits and charities plus social enterprises that pursue financial, social and environmental returns.

The word “finance” refers to the diverse funding methods for social sector organizations. Finance can include operating or growth capital and it can be delivered in varying ways ranging from grants to loans to equity investments.

¹² Canadian Task Force on Social Finance.

Figure 1- The Social Finance Spectrum¹³



Source: Drawn from Social Finance Census 1

Canada's broad non-profit sector remains economically significant and continues to grow. It contributed \$106.4 billion to Canada's GDP in 2008 or 7.1% of Canada's economic activity, which is more than Canada's retail, mining, or oil and gas sectors.¹⁴ The narrow scope of the non-profit sector (excluding universities and hospitals) grew to \$35.4 billion in 2008 and accounted for 2.4% of Canada's GDP in 2008.¹⁵ The non-profit sector consists of 161,000 organizations across the country, employs 2 million people and leverages more than 12 million volunteers.¹⁶

SEs can embrace this encouraging growth trend and create new sources of capital in the social economy. For more information please see [Social Finance.ca](http://socialfinance.ca).

Finance and Support- How are Social Enterprises Financed?

SEs vary in methods of financing. The main sources of financing for SEs are the sale of goods and services, individual parent organizations, foundations, government funding, individual donors and technical assistance grants. Increasingly, new options of financing are becoming available as more financial intermediaries are emerging. For instance, new funds such as the Community Forward Fund and Social Venture Partners and the social venture exchange (discussed below) act as intermediaries for funds and SEs looking for capital to finance their ventures.

¹³ Diagram note: Please note that sizes of sectors are not to scale. (Social finance census 2010)

¹⁴ Stats Can 2010: <http://www.statcan.gc.ca/daily-quotidien/101217/dq101217b-eng.htm>

¹⁵ Stats Can 2010: <http://www.statcan.gc.ca/daily-quotidien/101217/dq101217b-eng.htm>

¹⁶ (Social Finance Primer – Causeway).

Sources of SE Financing – (From most significant to least significant)
Fee for service
Government grants and contributions
Philanthropy
Cooperative sector
Community banks, credit unions, charity banks
Community economic development and Community Futures Development Corporations
Corporate sponsorships
Mission-based investment (foundations)
Labour Sponsored Investment Funds (LSIFs)
Angel investors
Socially responsible investment (SRI) mutual funds
Economically Targeted Investing (ETI) pension funds

Government’s role in Financing

As mentioned previously, the government, at the federal and provincial levels, has been a traditional source of funding for many charities and non-profits in Canada – particularly through grants and contributions, as well as operating and program subsidies. There are numerous federal government departments that provide access to capital for community investment and the social economy.¹⁷ Although, the government has been a large supporter, current market conditions have forced change and a reduction of funding in many areas. Changes include cutbacks, reduction in core funding, demands for greater accountability, and the devolution of public services to the private sector.¹⁸ Government funding programs are becoming increasingly oversubscribed and more difficult to access, especially for newer or emerging non-profits.¹⁹ Furthermore, there are areas where the governments cannot provide funding. To fill this need, many non-profits are now contracted by government, to undertake service delivery that the government does not provide.

Financial intermediaries

The government has often funded social initiatives indirectly through intermediaries. Community Futures Development Corporations (CFDCs) are local organizations funded by the Federal government through regional, provincial and territorial entities to stimulate regional rural and northern economic development. At the end of 2004, the 267 CFDCs and Community

¹⁷ They include: Industry Canada and the Department of Finance, as well as the numerous regional development agencies: Federal Government Initiative for Northern Ontario and Rural Communities (FedNOR), Atlantic Canada Opportunities Agency (ACOA), Canada Economic Development for Quebec (DEC), and Western Diversification (WD).

¹⁸ The Canadian Social Enterprise Guide 2nd Edition <http://www.enterprisingnonprofits.ca>, 4.

¹⁹ The Canadian Social Enterprise Guide 2nd Edition <http://www.enterprisingnonprofits.ca> 4

Business Development Corporations (CBCDs) invested more than \$212 million in for-profit and some non-profit enterprises, leveraged an additional \$518 million, and created more than 27,700 jobs across Canada.

Traditional financial intermediaries mobilize savings, evaluate projects, manage risk, and facilitate transactions. In the for-profit marketplace, finance intermediaries include banks, loan and investment companies. In the social finance marketplace, intermediaries offer the same group of services but address the specific needs of the social sector. These intermediaries include foundations, credit unions, community financial institutions, and community loan funds and play a key role in the transfer of funds from the investors to [blended value](#) enterprises.

Non-profits and charities are faced with challenges when it comes to financing SEs. The obstacles for financing, are complex, onerous in terms of time and staff resources, and result in capital obtained at a higher cost than is necessary²⁰. However, some provinces, such as Quebec, have established intermediaries such as the [Chantier de l' économie sociale](#) and incentives to help SEs access capital, but federal and provincial legislation across the country are often contradictory. As the popularity of SEs increases, the growth of intermediaries will improve the availability for SE financing.

A new trading platform that has the potential to raise capital for SEs is the [Social Venture Exchange](#) (SVX). The SVX is an initiative aiming to help further opportunities for SEs in Canada. Its development will be a local, impact first market connecting [social ventures](#), [impact funds](#), and [impact investors](#) in order to catalyze new investment capital geared towards improved social and environmental outcomes.²¹ The SVX provides an online platform which includes venture listings, fund listings a resource centre and investor collaboration tool and financial service provider listing to facilitate effective impact investments.²² It will allow investors to share due diligence, collaborate on deals, identify high quality investment opportunities and access screened investment opportunities.²³ The idea is that the SVX will provide ventures with increased access to capital and financial expertise. This initiative will be a positive step forward in bringing impact investing opportunities to the forefront of investor circles. The SVX will provide a platform to Canada's social enterprises to access much needed capital.

Implications for Organizations starting a Social Enterprise

Mission/Purpose – Why start a Social Enterprise?

Non-profits may want to start SEs for various reasons, but the primary reasons are "market", "mission", and "money." "Market" refers to the previously mentioned gaps in the current

²⁰ Canadian Task Force on Social Finance. "Mobilizing Private Capital For Public Good". *Final Report of the Task Force on Social Finance* (December 2010).

²¹ Social Venture Exchange. <http://socialventureexchange.org/>

²² Ibid.

²³ Ibid.

marketplace that need to be filled. “Mission” implies an organization’s goal to further or advance its mission or mandate. Non-profits are becoming increasingly aware that social enterprise offers another approach to advancing their organization’s mission.²⁴ Finally, organizations need financial sustainability to exist and money refers to additional or alternative revenue streams. A successful SE can generate profits that will provide non-profits with greater long-term financial sustainability. This does not necessarily replace other sources of funding but rather supplements it. Such funding sources also offer the organization a way to fulfill its mandate without additional dependence on project-based government or grant funding and without restrictions or limitations. An SE can create significant risk for a non-profit agency however, a successful SE can be a tool that provides non-profits with innovative opportunities. It can also provide a alternate means for individuals to interact with the social services sector.²⁵

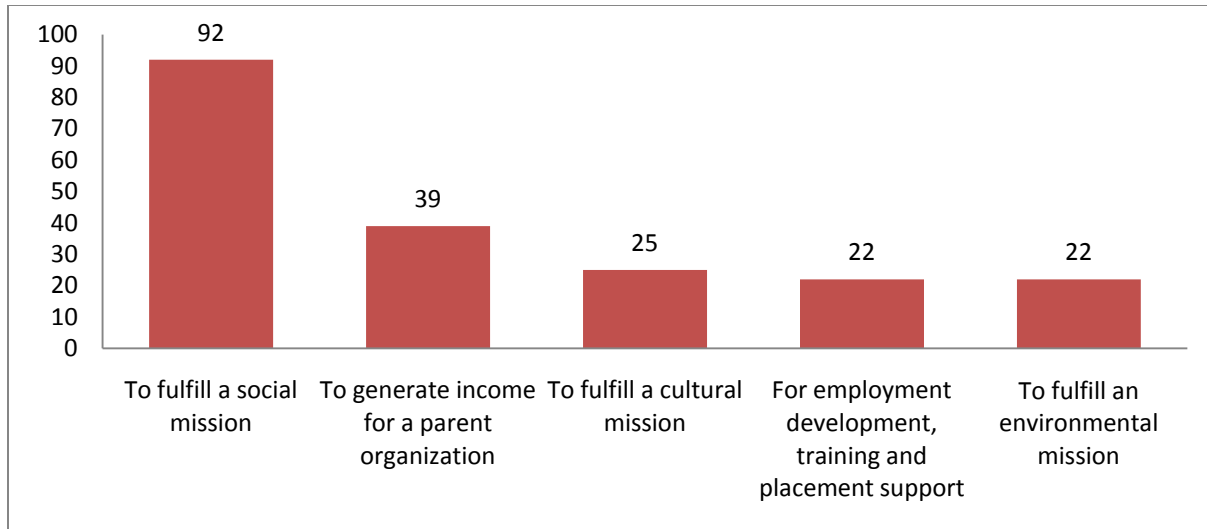
Other proven benefits of starting a SE are: enhanced organizational capacity; increased visibility, awareness and enhanced reputation; creating social capital; and attracting and retaining donors and investors. For more information on reasons for starting an SE please see enterprisingnonprofits.ca.

The purpose and missions of social enterprises are reflected in varying categories. The table below outlines the categories of the most recent surveys from BC and Alberta (BALTA, 2010).

Purpose– (From most significant to least significant)	AB%
To fulfill a social mission	92
To generate income for a parent organization	39
To fulfill a cultural mission	25
For employment development, training and placement support	22
To fulfill an environmental mission	22

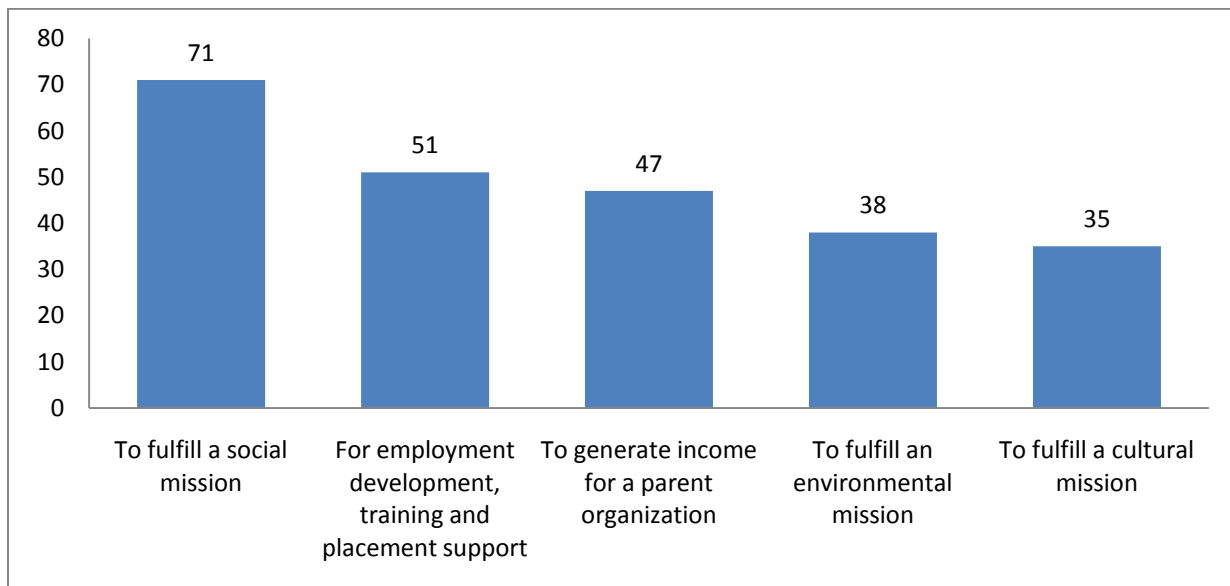
²⁴ The Canadian Social Enterprise Guide 2nd Edition <http://www.enterprisingnonprofits.ca> 14

²⁵ [Social Enterprise in Calgary Research Summary - United Way](#)



Source: Based on BALTA 2010

Purpose– (From most significant to least significant)	BC%
To fulfill a social mission	71
For employment development, training and placement support	51
To generate income for a parent organization	47
To fulfill an environmental mission	38
To fulfill a cultural mission	35



Source: BALTA 2010

Industry Sector

Social enterprises operate across multi-sectors and multi-populations. SEs are involved in many areas ranging from accommodation, food and tourism to trade and finance. The table below provides a non-exclusive list of activities that the SE sector will typically be involved in.

Industry Sector	Example
Creating infrastructure/facilitating enterprise	area development; managed workspace
Care services	child/elderly care, health services
Commercial community services	neighbourhood shop; community café
Contracted community services	estate maintenance; security
Job creation for the disadvantaged	the disabled; the long-term unemployed, Intermediate Labour Market
Training programs	self-employment; IT skills; life skills
Environmental action	waste & recycling; city farms; energy
Financial services	Credit Unions, insurance, banks
Housing services	housing co-ops and associations
Leisure services; transport	Community centres; bus services; adult care transport; driver education

Target Populations

SEs engage people in multiple ways. For instance, the same individual may be involved with an SE as a member, as a recipient of training, employment and/or services, and as an employee or volunteer. SEs often provide services for low-income individuals, people with mental disabilities, people experiencing employment barriers, women and youth. The table below shows the percentage of SEs in BC and Alberta that train, employ or serve each demographic group as part of their mission (BALTA, 2010).

Target Population	%
Everyone in a community	47.1
Lower income individuals	47.1
People with employment barriers	44.2
Youth/young adults	42
Women	41.3
People with mental disabilities	39.9
Aboriginal/indigenous people	39.1
Senior/aged/elderly	36.2

Men	34.1
Ethnic group/minority	28.3
Family	28.3
People with physical disabilities	28.3
Immigrants (including temporary workers, permanent residents, etc.)	26.1
Children	23.2
Homeless persons	20.3
Refugees	15.9
Non-profits, co-ops, social enterprises and their employees	7.2

Similar to any business, the number of employees that an SE engages is highly variable. Some SEs only operate thanks to the contributions of volunteers, while another SE may employ as many as 300 full-time and 300 part-time employees. The majority of SEs tend to employ 20 or fewer paid employees. SEs in British Columbia and Alberta provided paid employment to 4500 people in 2009, at an equivalency of 2,010 full-time employees. This translates into over 63 million dollars in wages and salaries. One study found that mission related employment (e.g. persons with disabilities and/or employment barriers) represented 60% of the total SE work force.²⁶ SEs provide meaning and dignity for marginalized individuals or individuals with a disability by providing them with work.

Legal Structure – What are the different forms of SEs?

SEs do not have their own distinct legal structure which means they must fit into an existing framework. SEs in Canada are currently subject to a “confusing patchwork of federal and provincial regulations that discourage these organizations from mobilizing business methods, capital, and entrepreneurship to advance their missions.”²⁷ SEs in Canada can take a variety of forms. For instance they may be any of the following: sole proprietorship or partnership registered under provincial legislation; a corporation incorporated under either provincial or federal legislation; a co-operative incorporated provincially, or, if it is carrying on business in more than one province, incorporated federally; a non-profit organization incorporated under provincial “society” or equivalent legislation, or under Part II of the Canada Corporations Act; or a registered charity engaging in “related” business.²⁸

²⁶ BALTA 2010

²⁷ Canadian Task Force on Social Finance. “Mobilizing Private Capital For Public Good”. *Final Report of the Task Force on Social Finance* (December 2010).

²⁸ Bridge, Richard and Stacey Corriveau. “Legislative Innovations and Social Enterprise: Structural Lessons for Canada”. *A paper prepared for the BC Centre for Social Enterprise*, (February 2009).

Based on the respondents to the [Social Finance Census in Ontario](#), the majority of the businesses surveyed in Ontario chose to operate as a corporation (73%), while 21% are owned under sole proprietorship, and the remaining 6% were operating as a partnership.

The Canada Revenue Agency (CRA) has a policy statement which outlines the circumstances when an SE can be operated under a charity, and when it must take some other legal structure.²⁹ It is a very important document for anyone considering starting an SE; to access it, please click [here](#). The document outlines how a “related business” can be operated within a charity, while an un-related business cannot, however, there is no clear definition to make the distinction between related and unrelated business, a source of confusion for many SEs.³⁰ So when dealing with “unrelated business” it is advisable that the charity establish a separate legal entity which must operate at arm’s length from the charity. The separate legal entity that holds the SE cannot benefit in any way from the charity that owns it. In this case the SE will have to remit corporate taxes on their net income. However, the SE can donate up to 75% of its profit to the charity and only pays income tax on the remaining net profit.³¹

Within the current range of legal structures available, it is important for non-profits and charities to identify the most appropriate legal structure to meet an organizations needs. It is not an easy process and challenges exist.

The Importance of Metrics- How to Measure Your Social Impact?

Tracking a company’s financial performance has always been important to the success of any business. Financial gains and profitability are often used as the benchmarks for mainstream businesses, however in the non-profit sector, the primary objective is to create social change. For SEs, it is equally important to be able to monitor the social impact that the organization is accomplishing. To achieve this, social metrics have and continue to be developed. Metrics provide the benchmarks that allow an enterprise to quantify their performance in meeting their objectives. Social metrics may be embedded within the structure of a project by including feedback surveys at each stage of a project, or an enterprise may use a measurement system created by an external source.

SEs vary in their goals, mandate and mission so it is quite difficult to form one specific approach for measuring social impact. As a result, there is a wide variety of metrics currently being used in Canada. Individual enterprises require metrics that best respond to their unique needs. Some Canadian SEs adopt more established metrics that are used internationally, including the

²⁹ Note that “social businesses” and “training businesses” are not considered businesses by CRA but rather charitable activity. However, the definitions of these things is very narrow, please refer to pgs.7-8.

³⁰ Corriveau, Stacey. “The Fine Print: Vital Information for Canadian Charities Operating a Social Enterprise”. *A paper prepared for the BC Centre for Social Enterprise*, (January 2010)

³¹ Ibid

[GIIRS](#) and [IRIS](#) standards, as well as Sustainability Reporting. On the other hand, some Canadian SEs choose metrics that have been adapted to meet the unique objectives of the organization. Ultimately, each organization will have to decide which method most conducive to the framework of their business model. For more detailed information on how to choose metrics for your SE, please see enterprisingnonprofits.ca.

Final Thoughts

Social Finance has the ability to significantly alter the current financial landscape and social enterprises will play a large role in the process. As we have noted, SEs provide an opportunity to fill a gap in the market place. SEs can help further an organization's mission while also providing an alternate and potentially long term revenue stream. However, the decision to start an SE is not for every organization. It is a complex process that is not without risk. In many cases, the benefits will outweigh the risks; however, every organization must weigh the consequences individually. This primer is intended to provide insight and a brief introduction for organizations looking towards the possibility of starting a social enterprise. It is not meant to be a step by step guide. For more information and additional resources, please consult below.

Glossary

Angel Investor: An individual who provides capital for a business start-up

Blended value - economic, social and/or environmental return

Blended Value Enterprises/Social Ventures are both non-profit social enterprises and for-profit social-purpose businesses, since solutions to social problems are emerging in both sectors

consideration in investment decision-making

Direct investments refer to funds and co-ops that allocate capital directly into organizations in a given location and/or sector. Instead of going through a secondary market like stocks or bonds, direct investors often develop a relationship with the organization's management. Investments are often early-stage, which necessarily brings more risk and the need for due diligence.

ESG - environmental, social and corporate governance

Impact Investing: making investments that generate social and environmental value as well as financial return

Impact Fund: an investment fund that generates social and environmental value as well as financial return

Market investments refer to mutual, pooled, and exchange-traded funds that invest in companies that are listed on publicly-traded markets. These investments are more liquid than direct investments, and can be bought or sold at any time. Investors should consider many different aspects of the various options, including risk exposure, market capitalization, geographic exposure, and management fees.

Microfinance - the provision of financial services (often in the form of small loans) to low-income clients or lending groups including consumers and the self-employed, who traditionally lack access to banking and related services.

Mission investing is a process whereby foundations directly invest some of their assets in community, social or environmental enterprises consistent with their mission. The investments may be program-related investments that anticipate a below-market rate of return, or market-rate investments in mission-related enterprises. Examples include social housing development and community loan funds. The term Mission Investing covers two distinct categories of investments: market rate Mission Related Investments (MRIs) that support program goals; and Program Related Investments (PRIs) structured to create specific program benefits while earning a below-market return.

Patient Capital: Patient capital is another name for long term capital. With patient capital, the investor is willing to make a financial investment in a business with no expectation of turning a quick profit

Responsible investing takes environmental, social and corporate governance (ESG) factors into consideration.

Social entrepreneur - an entrepreneur who engages in business to achieve a financial as well as environmental and/or social return.

Social finance is an approach to managing money that delivers a social and/or environmental dividend as well as an economic return.

Social innovation - an initiative product or process that profoundly changes beliefs, basic routines, resource, and authority flows of any social and/or ecological system in the direction of greater resilience.

Socially responsible investing (SRI) favors corporations that promote environmental stewardship, consumer protections, human rights, and diversity. SRI, driven by values-based decisions, may take the form of negative or positive screening, shareholder advocacy, or make community development the object of an investment or lending strategy.

Additional Resources

Provincial corporate legislation:

http://www.bclaws.ca/EPLibraries/bclaws_new/document/ID/freeside/00_96433_01

http://www.e-laws.gov.on.ca/html/statutes/english/elaws_statutes_90c38_e.htm

http://www.qp.alberta.ca/574.cfm?page=S14.cfm&leg_type=Acts&isbncln=0779725298

Trustee Act (Canada wide):

http://www.bclaws.ca/EPLibraries/bclaws_new/document/ID/freeside/00_96464_01

<http://web2.gov.mb.ca/laws/statutes/ccsm/t160e.php>

Charities Accounting Act: http://www.e-laws.gov.on.ca/html/regs/english/elaws_regs_010004_e.htm

http://www.e-laws.gov.on.ca/html/regs/english/elaws_regs_010004_e.htm

Federal corporate legislation:

http://www.axi.ca/tca/jan2005/guestarticle_3.shtml

Canada Corporations Act Part II (Not-for-profit Corporations Act) http://www.ic.gc.ca/eic/site/cd-dgc.nsf/eng/h_cs02148.html

Financial products in the social finance market:

Alternia Community Alliance Housing Fund (affordable housing)
<http://www.alterna.ca/Templates/SavingsPersonalSub.aspx?mid=282&id=3744&langtype=1033>

Calvert Community Investment Note (affordable housing, microcredit, small business development, community facilities, social innovations) <http://www.calvertfoundation.org/>

Deutsche Bank Eye Fund (affordable eye care hospitals in developing countries) http://www.deutsche-bank.de/csr/en/social_investments/further_projects_social_investments_837.html

Edmonton Social Enterprise Fund (non-profit organizations and cooperatives)
http://socialenterprisefund.ca/?page_id=299

First Nations Finance Authority Bonds (basic infrastructure, e.g. water and sewer systems)
http://www.fnfa.ca/member/community_bonds.htm

Green Bonds (solar/wind installations, GHG-reducing technologies, food security projects, waste management) <http://www.greenbonds.ca>

Social Capital Partners (venture capital, franchise funding) www.socialcapitalpartners.ca

Metrics:

[Volunteer Value Calculator](#)

[EVAS Toolkit](#)

[The B Impact Rating System](#)

[New Economics Foundation \(UK\) Guide to SROI](#)

[Impact Reporting and Investment Standards](#) (GIIN)

[Investing for Impact](#) (Social Economy Scotland)

[Measuring the Value of Corporate Philanthropy](#)

[SROI Primer](#) (London Business School)

[Investing for Social and Environmental Impact](#) (Monitor Group)

[REDF](#)

[Social Capital Partners](#)

[Carleton Centre for Community Innovation](#)

[Social Economy Centre OISE](#)

Social Enterprise Specialists

Ashoka	www.ashoka.org
Enterprising Non-Profits Program	www.enterprisingnonprofits.ca
Social Economy Centre, University of Toronto	www.sec.oise.utoronto.ca
Social Finance (Canada)	www.socialfinance.ca
Global Impact Investing Network	www.globalimpactinvestingnetwork.org
Blended Value	www.blendedvalue.org
Carleton Centre for Community Innovation	www.carleton.ca/3ci
Community Foundations of Canada	http://www.cfc-fcc.ca/programs/ri.html

Publications and articles:

Your Guide to Social Finance – Causeway Social Finance Initiative: <http://socialfinance.ca/guide>

Monitor report: Investing for Impact <http://www.monitorinstitute.com/impactinvesting/>

Enterprising Nonprofits:
http://www.enterprisingnonprofits.ca/about_social_enterprise/definitions

The Canadian Social Enterprise Guide 2nd Edition: <http://www.enterprisingnonprofits.ca>

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www.socialfinancetaskforce.ca

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