



Social Enterprise Investment Fund II

Impact Report 2024/25

Fund Level Summary 2024/25

■ The Social Enterprise Investment Fund II (SEIF II) has been operating since October 2015 and has provided 23 investments into 16 different social purpose organisations across the UK.

To date, 13 loan investments have repaid in full, with Fair For You and Mental Health & Employment Partnership fully repaying in the fiscal period 2024/25.

£13,168,468
current invested capital

Committed capital net of repaid investment, as at March 2025

12 active
investments
across 9
organisations

Some organisations have had multiple investments from SEIF II including Five Lamps and Homes For Good

64,000*
total reach
in 2024/25

Rounded to the nearest 1,000

*Not all active investments reported social impact in this reporting period, with for example service delivery for MHEP programs concluding at the end of the last reporting period and Fair For You data is only to September 2024, having exited June 2024.

2024/25 Headline Impact figures

18,471

patients seen in
emergency dental
appointments by
Smile Together

92%

of Homes for Good
renters are social tenants,
enabling access to quality,
affordable housing to
those most in need

271

young people from
disadvantaged backgrounds
completed youth music
programmes through
Village Underground

£5,281,353

gross income raised for hospice partners and wider
charity sector through St Helena lotteries

Alignment to Big Issue 5 Impact Pillars



Learning &
Employment



Housing



Health &
Wellbeing



Financial &
Digital Inclusion



Community &
Environment

Investment Impact Assessment using Impact Management Norms. Source



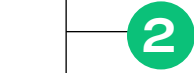
Does or not
cause harm



Act to
avoid harm



Benefit
stakeholders



Contribute
to solutions

Primary SDG alignment

19%



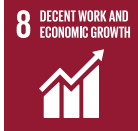
31%



13%



13%



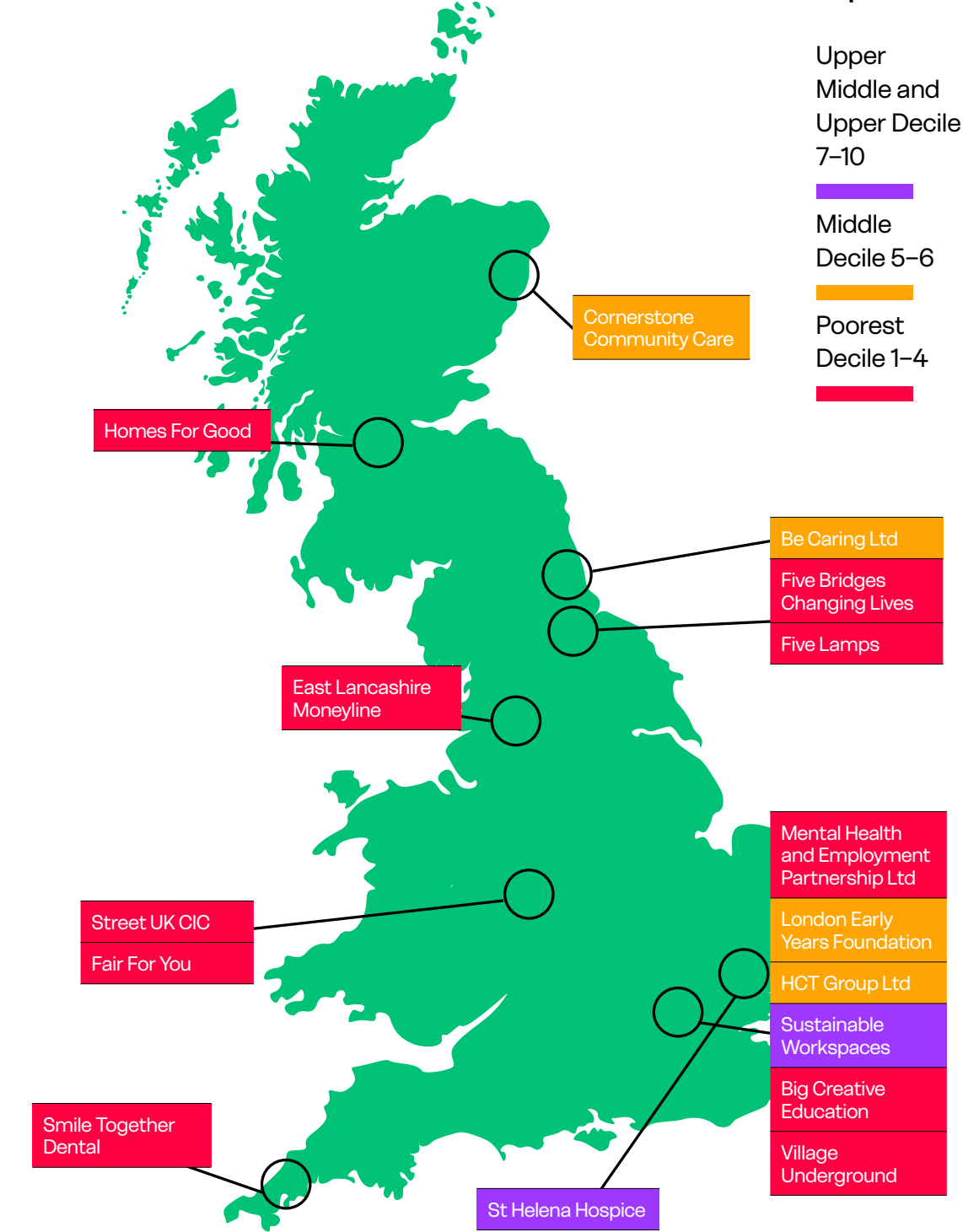
19%



5%



■ The SEIF II is invested into seven UK regions, with the majority in London (38%) and North East (19%), followed by Scotland and West Midlands (both at 13%). Investments into other regions in the UK are dispersed evenly by value. There are no investments in Wales.



Spotlighting impact highlights and areas of future focus for our active investments

Smile Together Dental



■ **Smile Together Dental (ST)** is a social enterprise providing NHS and specialist dental care across Cornwall and the Isles of Scilly, with a focus on reaching vulnerable and underserved patients. The £1 million investment made through SEIF II in late 2018, enabled ST to convert a former grammar school in Bodmin into a fully accessible, specially adapted dental centre offering facilities like a bariatric chair and wheelchair tipper, vastly improving access for vulnerable patients.

ST have been consistently performing well on their social impact targets, despite navigating tricky changes to their commissioning contracts. Their focus remains on expanding community outreach, particularly to underserved groups including fisheries workers, people experiencing homelessness, and veterans. They continue to reinvest all profits into further improving patient facilities, environmental sustainability, and tackling oral health inequality across the South West.

Village Underground



■ **Village Underground** runs multi-purpose events venues with a mission to create opportunity through music, to engage young people in positive activity, opening pathways into employment in the creative industries, and offering high-quality training to people of all backgrounds.

Successive investments have enabled VU to transform derelict buildings and disused infrastructure into vibrant cultural spaces. These spaces now host artist residencies, community programmes, and performances.

Despite the severe impact of the COVID-19 pandemic and ongoing economic pressures, VU maintains strong social impact delivery by providing and expanding opportunities for young people from marginalised or under-represented groups, who might otherwise be excluded. VU's dedicated training and engaging programmes have successfully reconnected young people with education, reporting rising participation and completion rates. A growing number of participants are also achieving qualifications, equipping them with practical skills and routes into employment within the music and creative industries.

Homes for Good



■ **Homes for Good (HfG)** is an award-winning social lettings agency based in Glasgow and Ayrshire, offering secure, supportive, and sustainable housing to individuals and families who often face barriers in accessing decent accommodation, including vulnerable tenants and those in housing need.

With the support of £1 million in equity and £2.5 million in debt financing through SEIF II fund, HfG has expanded its property portfolio, scaling its social impact and delivering a tangible solution to the shortage of affordable, quality rental homes in Scotland. HfG delivers high-quality, affordable homes to people on low incomes, particularly those at risk of or experiencing homelessness, by refurbishing neglected properties and leasing them at or near Local Housing Allowance (LHA) rates. In the face of rising costs, high interest rates, and limited changes to LHA thresholds, they have maintained a strong social focus, where possible, keeping rents aligned with LHA levels and maintaining a high proportion of social tenants across its portfolio, currently 92%.

St Helena Hospice



■ Rated 'Outstanding' by the Care Quality Commission (CQC), **St Helena Hospice (SHH)** is a specialist palliative and end-of-life care provider across North Essex, supporting individuals and families with compassion and dignity.

SHH's £1.5 million loan facility has supported SHH's expansion of its community lottery business, a key source of 'recurring' income for the hospice and for other charities. The investment gave them the opportunity to work on attracting new partners and new lottery players, in order to reduce the gap in cost recovery for its own hospice services and assist other charities in diversifying their own revenue streams.

SHH is also seeing the challenge of rising costs, particularly the increase in employer national insurance contributions, at a time when closure and merger of other hospices are affecting lottery revenues. They have responded proactively by launching new community lottery products, and the recent data signals positive momentum and increasing income potential. The hospice's latest CQC rating in January 2024, highlights the exceptional standard of care delivered by the team and the high bed occupancy rates of c.88% demonstrates the high demands for their services.

Spotlighting impact highlights and areas of future focus for our active investments

Sustainable Workspaces



■ **Sustainable Workspaces** purpose is to provide affordable, flexible co-working and workshop space for organisations tackling social and environmental issues such as climate change, resource scarcity, fuel poverty, and poor air quality.

SEIF II funded the development and refurbishment of a 700-desk co-working space. The new County Hall 5th floor space was completed in early 2024 and is now fully operational and providing access to high-quality, affordable workspace in the heart of London for a growing community of climate-focused enterprises.

As part of SEIF II loan conditions, SW tenants must all have products and services aligned to UN sustainable development goals linked to SW’s purpose. SW must also offer discounted membership and desk space relative to competitors, while monitoring and reporting on member diversity and the legal structure of tenant organisations. These commitments help ensure the space serves a broad and inclusive community of changemakers. Current challenges for SW include benchmarking affordability in a shifting market for shared office space in the wake of US company, WeWork’s travails and identifying relevant pricing comparators. The team is also actively reviewing their diversity data collection methods to more accurately assess inclusion, accessibility, and affordability across their membership base.

SEIF II – Investment Portfolio 2024/25

The investment period of the Fund has now come to an end and no further transactions were made in the last financial year.

To the end of the period, 13 investments have been repaid and 9 organisations have exited the Fund, including 2 investments representing £1,400,000 in the fiscal period 2024/25.

Investee	Investment Type	UN SDG	Primary Customer Group	Invested Capital to date
Mental Health and Employment Partnership Ltd**	Outcomes-Based Contract	3 - Good health and well-being	Mental health needs and conditions	£400,000
Be Caring Ltd*	Fixed Rate Loan	3 - Good health and well-being	Physical disabilities or sensory impairments	£820,000
London Early Years Foundation*	Fixed Rate Loan	4 - Inclusive and quality education	Vulnerable children	£250,000
East Lancashire Moneyline*	Fixed Rate Loan	1 - No Poverty	Living in poverty and/or financial exclusion	£2,050,000
East Lancashire Moneyline*	Fixed Rate Loan	1 - No Poverty	Living in poverty and/or financial exclusion	£1,000,000
HCT Group Ltd	Fixed Rate Loan & Rev. Part.	11 - Sustainable cities and communities	Physical disabilities or sensory impairments	£2,641,670
HCT Group Ltd*	Fixed Rate Loan & Rev. Part.	11 - Sustainable cities and communities	Physical disabilities or sensory impairments	£118,260
Cornerstone Community Care*	Fixed Rate Loan	3 - Good health and well-being	Learning difficulties and other neurodivergence	£500,000
Street UK CIC*	Fixed Rate Loan	1 - No Poverty	Living in poverty and/or financial exclusion	£500,000
Street UK CIC*	Fixed Rate Loan	1 - No Poverty	Living in poverty and/or financial exclusion	£350,000
Fair For You**	Fixed Rate Loan	1 - No Poverty	Living in poverty and/or financial exclusion	£1,000,000
Big Creative Education*	Fixed Rate Loan	4 - Inclusive and quality education	Vulnerable young people	£600,000
Village Underground*	Fixed Rate Loan	8 - Decent work and economic growth	Vulnerable young people	£675,000
Village Underground	Preference Shares	8 - Decent work and economic growth	Vulnerable young people	£3,250,000
Five Bridges Changing Lives*	Outcomes-Based Contract	11 - Sustainable cities and communities	Living in precarious housing or homeless	£32,813
Five Lamps	Fixed Rate Loan	1 - No Poverty	Living in poverty and/or financial exclusion	£1,000,000
Five Lamps	Fixed Rate Loan	1 - No Poverty	Living in poverty and/or financial exclusion	£250,000
Smile Together Dental	Fixed Rate Loan	3 - Good health and well-being	Living in poverty and/or financial exclusion	£1,000,000
St Helena Hospice	Fixed Rate Loan	3 - Good health and well-being	Health condition or life-threatening illness	£250,000
Homes For Good	Ordinary Shares	11 - Sustainable cities and communities	Living in precarious housing or homeless	£1,005,000
Homes For Good	Fixed Rate Loan	11 - Sustainable cities and communities	Living in precarious housing or homeless	£2,010,037
Homes For Good	Fixed Rate Loan	11 - Sustainable cities and communities	Living in precarious housing or homeless	£500,000
Sustainable Workspaces	Fixed Rate Loan	13 - Climate action	Living in poverty and/or financial exclusion	£3,400,000
Total				£23,602,780

*Exited prior to April 2024
** Exited in year ending 31 March 2025

SEIF II Portfolio Annual Outcomes 24/25

Investment	Mission	Target Beneficiaries	Target Outcomes	Target Indicators	Achieved value (2024/25)
Fair For You ¹	To offer a real alternative to high cost lenders and rent-to-own (RTO) stores, and offer a very practical way to address poverty by removing the premium when buying essential items for the home.	Low-income individuals and households	Improved access to support, advice, and appropriate and affordable financial products and services	Current active loans	29,054
				Number of loans issued during year	39,614
				Total value of loan book (£)	£7,400,000
				Gross lending £	£5,900,000
				Average loan value	£149
				Interest savings vs. rent to own	£270
			Improved financial management and stability	% of customers report that they were better able to budget and manage their money as a result of using FFYE	70%
Village Underground	To create opportunity through music, to engage young people in positive activity, open up routes into employment within the creative industries and offer high standard of training to people of all backgrounds.	Young people from disadvantaged backgrounds and low-income communities	Suitable employment, education or training and on-going support, where necessary	No. of cohorts per annum accessing the youth music programmes	24
				No. of young people per annum completing the youth music programmes	271
				No. of young people per annum achieving a qualification, accreditation or vocational outcome	31
				No. half days of work completed by paid 'youth practitioners' (delivered by at least 2 YPs)	338
Five Lamps ²	To Transform Lives, Raise Aspirations and Remove Barriers to Social, Economic & Financial Inclusion	Low-income individuals and households	Appropriate access to financial advice, products or services	Total number of personal loans approved	888
				% Applications converting into loans	5%
				Average credit score of borrowers	558
				Average savings per customer (compared to relevant HCSTC provider) - new loans	£345
				Average savings per customer (compared to relevant HCSTC provider) - additional loans	£445
				% of customers who avoided a high-cost lender as a result of 5 lamps loan	54%
				% of customers who will avoid HCSTC lenders in future	68%

Investment	Mission	Target Beneficiaries	Target Outcomes	Target Indicators	Achieved value (2024/25)
Smile Together Dental	Aims to create healthier happier communities by delivering Dentistry with social impact.	Under-served population of Southwest England, fishing communities, children and people with disabilities	Increased provision of dental services to people across Cornwall	Number of patients seen in emergency appointments	18,471
				Number of special care patients seen	3,234
			Increased amount of accessible dental treatment brought to those who need it most	Number of patients reached within fishing communities ³	0
				Number of new patients registered for routine private care (formerly Brighter Dental)	1327
				Improved access to dental care ratio	3.73%
			All Smile Together patients continue to receive high quality dentistry care	Smile Together "Friends and Family" score	99.8%
				"Clinical Training Ratio"	>3 times
			Reduce tooth decay through intervention and education	Number of pupils receiving campaign support	0
				Number of pupils receiving council funded support	2,952

¹ Final outcomes are to September 2024. FFY has fully repaid as of June 2024.

² Final outcomes data is to Q2 2024

³ No Smiles at Sea Programme this year. A new contract with an expanded target group set to start from July 2025 covering veterans and fisherman communities.

SEIF II Portfolio Annual Outcomes 24/25

Investment	Mission	Target Beneficiaries	Target Outcomes	Target Indicators	Achieved value (2024/25)
St Helena Hospice	To enable local people with an incurable illness to live well and die with dignity and choice.	People in need of end of life care, and living in underserved communities	Maintain occupancy levels for St Helena patients	Bed Occupancy %	88%
			All St Helena patients continue to receive high quality care	IWGC Rating (out of 5.00)	4.8
			Increased funds raised for hospice partners and wider charity sector through St Helena lotteries	Your Hospice Lottery: Gross Income	£3,553,782
				Your Hospice Lottery: Number of Partners	15
				Make a Smile Lottery: Gross Income	£1,727,571
				Make a Smile Lottery: Number of Partners	21
Homes For Good	To create secure, quality homes for vulnerable tenants and enable landlords to successfully manage their investments whilst placing emphasis on the welfare of the tenant.	Adults who are homeless or in insecure housing, low income individuals and households	Increased number of low income individuals have access to quality housing	Total % of social tenants in HFG properties	92%
				Demographic breakdown of tenants in HFG properties	54% unemployed, 51% benefits, 92% prior housing needs, 8% students, 9% earn over Glasgow living wage. 237 adult tenants with 41 children
				% tenants in low-income work	30%
				% tenants economically inactive or unemployed	54%
			HFG maintains numbers of affordable properties available for individuals on low incomes	HFG rental pricing: % of properties below LHA rates; within range of LHA rates; % above LHA rates	84% no more than 5% above LHA: Above LHA rate = 16% Within LHA range (+/- 5%) = 49% Below LHA rate = 35%
				Total # housing stock within HFG portfolio	210
			HFG maintains levels of support for tenants with support needs	% of tenants with support needs being supported by HFG	89%

Investment	Mission	Target Beneficiaries	Target Outcomes	Target Indicators	Achieved value (2024/25)
Sustainable Workspaces	Mitigate climate change and resource scarcity.	People living in poverty and/or financial exclusion	Provision of affordable workspace for environmentally focused organisations	% below the £/ fixed desk of a premium, benchmark competitor in immediate area	15%
			provision of business support to non-corporate members of SW improves their capacity	# hours or monetary value of pro bono support provided to non-corporate member organisations	228 hours
				Degree to which SW training and support has provided value to members	88%
			Provision of affordable workspace for people on low incomes and from diverse demographic backgrounds improving accessibility in the industry	% of active memberships that are subsidised	0.75% of total active membership value
				% or value of memberships earned from organisations that are: a) asset or mission-locked and/or b) (1) primarily and (2) secondarily aligned with SDGs	a) 36.5% asset or mission-locked
				% of membership or value of membership revenues earned from organisations that are led by: b) 100% aligned with SDGs - Females - BAME individuals - Folks working with disabilities - Folks with lived experience in the issue addressed by the business	49.5% female or non-binary, 12.4% BAME, 4.1% disabled, 61.9% lived experience

Acknowledgements

Directors of the General Partner



Nigel Kershaw OBE
Nigel Kershaw joined The Big Issue in 1994, eventually becoming its CEO and now sits as Group Chair. Alongside Big Issue founder Lord John Bird, Nigel launched Big Issue Invest in 2004. Nigel is also the co-founder of The Big Exchange.



Stephen Howard LVO
Stephen Howard is the chair of Power to Change after retiring as chief executive of Business in the Community after 10 years in post. Stephen's other roles include chair of Thames Reach and trustee of Better Society Capital.

Investment Advisory Committee



Tim Farazmand (Chair)
Tim has worked for over 30 years in private equity. He currently chairs the Palatine Impact Fund, PCB Partners and Estio and holds various other Board positions.



Sara Redford
Sara is an experienced social investor, and had spent over a decade structuring debt and quasi-equity solutions to support private equity backed management buyouts across Europe.



Georg Stratenwerth
Georg Stratenwerth spent most of his career in private equity. He currently serves as a member of the Ashoka support network and on the Board of Trustees of ClientEarth, where he heads the Finance and Investment Committee



John Gilligan
John has worked in the private equity and venture capital industry for more than 30 years. He is director of the Oxford Saïd Finance Lab at Saïd Business School, University of Oxford. John is also a visiting professor at Imperial College Business School.



Jeremy Rogers
From 1998 to 2008 Jeremy Rogers was at JP Morgan, becoming the youngest MD in JP Morgan's history. He is now chief investment officer for Big Society Capital and is also a senior adviser to the Rockefeller Foundation's Innovative Finance programme.

Legal and Regulatory Information

This document has been prepared by Big Issue Invest Ltd (BII) with Big Issue Invest Fund Management Ltd (“BIIFM”) relating to the social investment funds managed by BIIFM - Big Issue Invest Social Enterprise Investment Fund II L.P., Big Issue Invest Social Impact Debt Fund IV L.P., The Growth Impact Fund L.P., and Big Issue Invest Outcomes Investment Fund L.P. (the “Funds”) or proposed social investment funds to be managed by BIIFM.

The Funds are alternative investment funds (“AIFs”) for the purposes of the European Alternative Investment Fund Managers Directive (2011/61/EU) (“AIFMD”). BIIFM is the alternative investment fund manager (“AIFM”) of the Funds and is authorised and regulated by the Financial Conduct Authority as a “small authorised UK AIFM” (in accordance with article 3(2) of the AIFMD) to manage unregulated AIFs. This document has been prepared with a view to providing the existing stakeholders of BIIFM and the Funds, investee companies, co-investors and potential collaborators and others for reporting, accountability and information purposes and as otherwise required by law. This document in and of itself is not prepared, produced or issued as a financial promotion.

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- Past performance cannot be relied on as a guide to future performance.
- The capital of Investors in the Funds is at risk.
- Any target is not a predictor, projection or guarantee of future performance.

SEF reporting disclosures

The Big Issue Invest Social Enterprise Investment Fund II L.P., “SEIF II” or “the Fund”, markets itself under the Social Enterprise Fund label. The following disclosures are made in accordance with Article 13 (No 346/2013 & No 2017/1991), with reference to relevant sections of the main report as appropriate.

As managers of the Social Enterprise Investment Fund II, Big Issue Invest is making available an annual report to the competent authority of the home Member State (FCA) for the qualifying social entrepreneurship fund, SEIF II. We follow the financial year that is April 1st to March 31st. The report describes the composition of the portfolio of the Fund and the activities of the previous year.

£2,280,00 has been repaid to investors in the in the fiscal period 2024/25, none are in the form of profits earned. The audited financial accounts for SEIF II have been made available and shared with relevant stakeholders. These can be shared upon request.

The annual report has been produced in accordance with existing reporting standards and the terms agreed between the managers of the Fund and the investors. The report is made available to investors of the Fund in addition to any additional disclosures agreed.

This annual report is inclusive of at least the following:

a) details, as appropriate, of the overall social outcomes achieved by the investment policy and the method used to measure those outcomes. Readers are directed to the Outcomes Table for the most granular detail and elsewhere in the report for more aggregated figures.

b) a statement regarding all changes including any divestments that have occurred in relation to the Fund portfolio. Readers are directed to the Investment Portfolio for an overview of all projects invested in by the Fund.

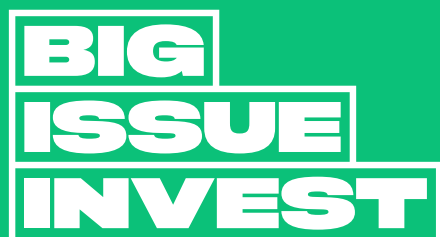
c) where a divestment does occur, a description will be included and will cover whether that occurred on the basis of the criteria as referred to in point (f) of Article 14(1).

d) a summary of the activities that the manager of the SEIF II has undertaken in relation to the Fund portfolio undertakings as referred to in point (l) of Article 14(1) is briefly described in the Letter from the Director. A more detailed description section on portfolio management support provided following a decision to investment into an organisation and subsequent disbursal of investment funds is included in select case studies and additional reports shared with investors.

e) information on the nature, value and purpose of the investments other than qualifying investments referred to in Article 5(1). Readers are directed to the Summary table of all investments, including amounts invested, instrument of investment included in the main impact report.

f) a description of how environmental and climate-related risks are taken into account in the investment approach of SEIF II. That is as follows; The Fund is investing to tackle social inequality and drive better social outcomes for marginalised groups, it is with this lens that prospective deals are evaluated. As part of that environmental and climate-related risks are assessed during the investment due diligence phase, including looking at the current policies in place, if any, and determining its business plans, giving due consideration to the business model, sector of operation, and supply chain implications. These areas are reviewed annually to provide relevant support as required, or where lack of progress can present a material risk to positive social impact delivery. Overall, the portfolio is composed of organisations operating in low-emission sectors, with some explicitly focused on climate action, environmental and climate-related risks are currently assessed to be minimal. The majority of the portfolio has indicated a desire to develop processes to include environmental considerations in their operations and supply chain, with some already having relevant policies in place. More widely, the Fund manager is taking steps to monitor and report on carbon emissions across the Big Issue Invest organisation and portfolio using relevant proxy measures.

Financial statements and updates are prepared and shared with investors on a quarterly basis and a formal audit of the Fund is carried out annually. The audit confirms that money and assets are held in the name of SEIF II and that the manager of the Fund has established and maintained adequate records and checks in respect of the use of any mandate or control over the money and assets of the qualifying social entrepreneurship fund and the investors therein.



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