

# What's the problem to solve?

# What's the opportunity to tap?

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- Many social startups, **few achieve scale**
  - **Equity investment** is required for growth
  - Equity investment demands **profit** distribution
  - There are so many entrepreneurs aiming at social impact: 20% of UK startups
  - Early stage “angel” investors will invest in social ventures with a realistic return
  - If there is profit, will there be mission drift?
  - Will they stop being social?
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- So lets work on a model for social ventures which distribute profit and lock in social mission in other ways:  
**profit with purpose business**



# Profit-with-purpose business:

A concept of the G8 social impact investment taskforce



**A Profit-with-Purpose Business is one that seeks, commits to, creates and shows social impact.**

Telefonica's Wayra UnLtd tech accelerator for social impact has outperformed all 12 of their commercial accelerators in terms of investment, mainly through profit with purpose business candidates..



# Combining social impact & profitable business

Primary commitment to impact	Charities that do not engage in trade	Charities that trade but do not distribute profits	Social and solidarity enterprises	Profit with purpose business
Intent to create impact				Businesses-seeking-impact Sustainable businesses
Legal minimum on creating impact				Other businesses
<b>Commitment to impact</b> <b>Profit and asset distributions</b>	no distributions	internal distributions only	partially limited distributions	unlimited distributions

In the UK, we have trading charities (non profit), community interest companies (partial profit), and now profit with purpose businesses (full profit)

# ANDIAMO

**Narveed and Samiya Parvez,  
Lee Provoost: Andiamo**

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