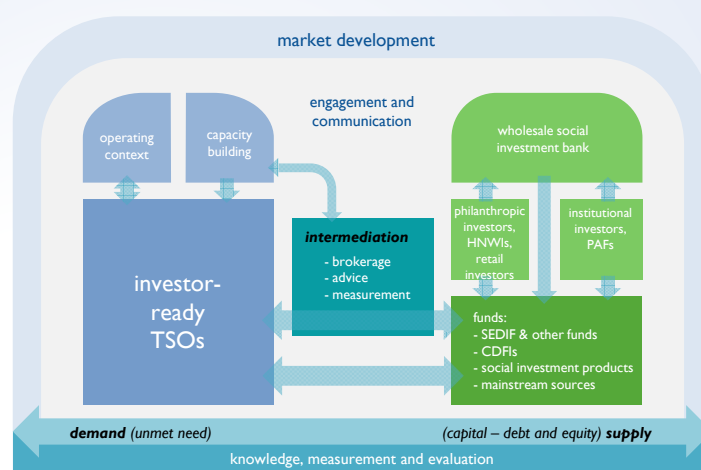


## Finance for the not for profit sector



LES HEMS  
CHERYL KERNOT  
SARAH ADAMS

## CAPITAL MARKET FOR SOCIAL INVESTMENT



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## SENATOR NICK SHERRY

CHAIR OF THE FORMER SENATE SELECT COMMITTEE ON SUPERANNUATION

"What I find striking is that you can argue with superannuation trustees, as you can argue, more strongly, with the trustees of private ancillary funds (PAF), that they do have, as part of their trustee duties and obligations, a greater need to consider broader environmental and social issues than they did 20 or 25 years ago - because society has changed.

"The argument about trustees' duties and obligations is that trustees, in common law, broadly need to reflect society and, particularly, the goals of the organisation that they owe a fiduciary duty to. Therefore, the role of a trustee in a superannuation fund, and the role of a trustee in a PAF, today is very different from the role they would have had 20 or 25 years ago, for the obvious reason that the world has changed. The world in which we are considering issues of investment, the placement of funds and the distribution of funds requires a consideration of a much broader and almost certainly more complex set of issues than 20 or 25 years ago. I think for a PAF, it's even more important to consider these issues because invariably, the stated goal of a PAF will have a direct link to issues relating to socially responsible investment...

"...Trustees, I would argue in today's world, actually need to go further than simply passing the money over to a financial institution. They need to be actively engaged in examining where that financial institution is placing those investments - not just to maximise the return to the fund but also to ensure that where those monies are invested aligns with the interests of the fund itself. So what the law arguably requires from trustees is a significantly broader range of activities than in the past, as well as a consideration of a more complex set of issues."

*(Address given at the Centre for Social Impact's Investing for Impact Conference, Sydney, 8 April 2010.)*



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## UK POLICY FRAMEWORK

ADAPTED FROM CABINET OFFICE SOCIAL ENTERPRISE ACTION PLAN 2006

Meeting social need using business tools.  
Providing opportunity and skills for marginalised groups.

Improving public services.  
Pioneering new approaches with contracted delivery.  
Driving social innovation.

Dynamic, sustainable social enterprises contributing to a stronger economy and a fairer society.

Increasing enterprise.  
New entrepreneurs – women, young people, migrants and refugees.

Encouraging ethical markets.  
Influencing CSR.

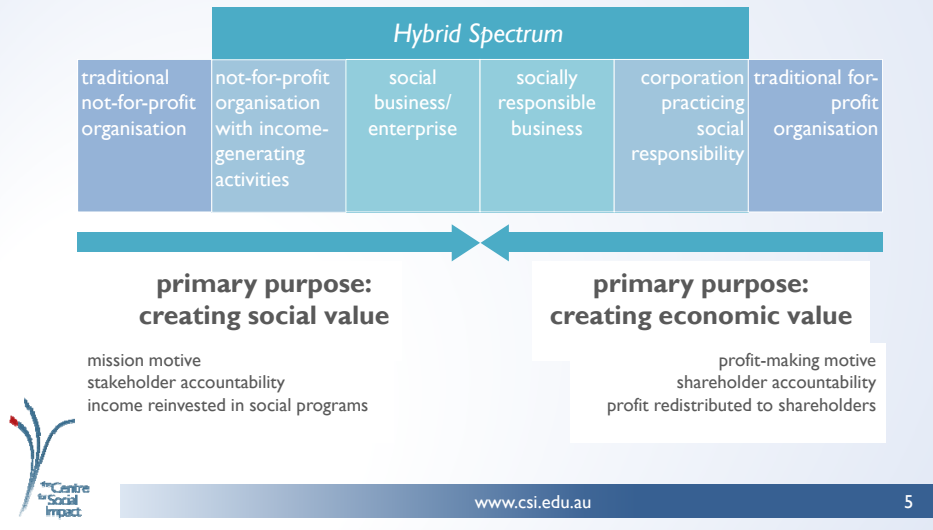


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## TYPOLOGIES OF HYBRID ORGANISATIONS

ADAPTED FROM ALTER, 2007



## ACCESS TO CAPITAL OPTIONS

ADAPTED FROM ALTER, 2007

