

Registered Number 08093046

Unaudited Financial Statements

For the year ended 31 December 2019

for

SOCIAL AND SUSTAINABLE CAPITAL INVESTMENTS LIMITED

THURSDAY



A98FPFY2

A08

02/07/2020

#296

COMPANIES HOUSE

**SOCIAL AND SUSTAINABLE CAPITAL
INVESTMENTS LIMITED**

Registered Number 08093046

Balance Sheet as at 31 December 2019

	2019 £	2018 £
Current assets		
Called up share capital not paid	1	1
Due from Related Parties	100	-
Net assets	101	1
Capital and reserves		
Called up share capital	1	1
Retained profit for the year	100	-
Shareholder's funds	101	1

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The company is a private company limited by shares and is registered in England and Wales. The address of the registered office is 4th Floor, Reading Bridge House, George Street, Reading, Berkshire RG1 8LS.

For the year ended 31 December 2019, the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- Members have not required the Company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the micro-entity provisions and delivered in accordance with the provisions applicable to companies subject to small companies' regime.

These financial statements were approved by the board of directors and authorised for issue on 10 June 2020 and are signed on behalf of the board by:

Mr. Benjamin Rick

Director



Social and Sustainable Housing L.P.

**Audited Financial Statements
For the period ended 31 December 2019
Registered Number: LP020156**

Social and Sustainable Housing Fund L.P.

Contents

	Page
General Partner's Report	3
Report of the Independent Auditors	5
Statement of Comprehensive Income	8
Statement of Financial Position	9
Statement of Changes in Net Assets attributable to Partners	10
Statement of Cash Flows	11
Notes to the Audited Financial Statements	12
General Information	19

Social and Sustainable Housing Fund L.P.

General Partner's Report

Introduction

This report is in respect of Social and Sustainable Housing Fund L.P. (as defined in Note 1 of the financial statements) for the period ended 31 December 2019.

The General Partner of the Fund is Social and Sustainable Capital Investments Limited, an English limited liability partnership. The manager and operator of the Partnership is Social and Sustainable Capital LLP (the "Manager", "Initial Limited Partner", or "SASC"). SASC is authorised and regulated by the UK Financial Conduct Authority.

Investment Objective and Strategy

The Partnership's investment objective is to deliver a financial return alongside positive social impact in the United Kingdom by financing Social Sector Organisations (the "SSOs") to purchase and manage portfolios of residential property for their vulnerable beneficiaries as defined in the Limited Partnership Agreement (the "Partnership Agreement") dated 22 May 2019.

The Partnership's social impact aims are:

- to strengthen SSOs by improving their long-term sustainability; and
- to improve the lives of vulnerable individuals through access to safe, stable and appropriate housing.

The Partnership will invest in SSOs across the United Kingdom that:

- offer services to vulnerable individuals;
- have a track record of managing property; and
- deliver measurable social impact.

The Partnership will invest by way of a credit facility in SSOs that are:

- registered charities;
- charitable incorporated organisations;
- companies limited by guarantee;
- community interest companies;
- industrial provident societies for the benefit of the community.

The Partnership's ultimate aim and objective is to carry out the business of the Investor Partners with a view to producing a profit and generating social impact by providing access to loan finance, particularly unsecured loans.

Portfolio Review

As at 31 December 2019, the Partnership had a total of two Investments.

Partnership Commitments

The Partnership has Total Commitments amounting to £25.83 million. At 31 December 2019, a total of £3.13 million had been drawn by the partnership.

Statement of Comprehensive Income

The Partnership's Statement of Comprehensive Income set out on page 7 shows a net total loss for the period of £0.50 million.

Social and Sustainable Housing Fund L.P.

General Partner's Report (continued)

Events After the Reporting Period

The Fund Manager has not yet been able to fully assess the financial impact of the COVID-19 pandemic that is being played out in early 2020. The Fund's borrowers may experience operational or financial issues that delay or prevent the payment of interest and/or principal when due. As a result, the carrying values of the Fund's investments may have declined since the balance sheet date.

The Fund Manager has taken steps to ensure that it will be able to manage the fund during the period of this crisis. Staff are all working remotely and are able to operate effectively using SASC's IT infrastructure.

Statement of General Partner's Responsibilities

The General Partner is responsible for preparing the General Partner's Report and financial statements in accordance with applicable law and regulations.

The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 require the General Partner to prepare financial statements for each financial year. Under that regulation, the General Partner has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under these regulations, the General Partner must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Partnership and of the Profit or Loss of the Partnership for that period. In preparing these financial statements, the General Partner is required to:

- select suitable and appropriate accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Partnership will continue in business.

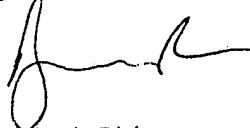
The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Partnership and enable them to ensure that the financial statements comply with The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. The General Partner is also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

A resolution to reappoint BDO LLP as the auditor will be put to the General Partner in accordance with the Partnership Agreement.

All the current Members of the General Partner have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Partnership's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The Partners are not aware of any relevant audit information of which the auditors are unaware.

On behalf of the General Partner:



Benjamin Rick
23 April 2020

Social and Sustainable Housing Fund L.P.

Report of the Independent Auditors for the period ended 31 December 2019

Opinion

We have audited the financial statements of Social and Sustainable Housing Fund L.P (“the Partnership”) for the period ended 31 December 2019 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Net Assets Attributable to Partners, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Partnership’s affairs as at 31 December 2019 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the Partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Partners’ use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Partners have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Partnership’s ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Social and Sustainable Housing Fund L.P.

Report of the Independent Auditors for the period ended 31 December 2019 (continued)

Other information

The Partners are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the

work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Partnership and its environment obtained in the course of the audit, we have not identified material misstatements in the Partners' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 as applied to qualifying partnerships requires us to report to you if, in our opinion;

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Partners

As explained more fully in the Partners' responsibilities statement, the Partners are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Partners determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Partners are responsible for assessing the Partnership's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Partners either intend to liquidate the Partnership or to cease operations, or have no realistic alternative but to do so.

Social and Sustainable Housing Fund L.P.

Report of the Independent Auditors for the period ended 31 December 2019 (continued)

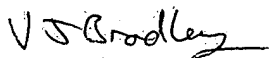
Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Partnership's Partners, as a body, in accordance with Partnerships (Accounts) Regulations 2008. Our audit work has been undertaken so that we might state to the Partnership's Partners those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Partnership and the Partnership's Partners as a body, for our audit work, for this report, or for the opinions we have formed.



Vanessa-Jayne Bradley (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London, UK
23 April 2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Social and Sustainable Housing Fund L.P.

Statement of Comprehensive Income

	Notes	For the period ended 31 December 2019
£		
Income		
Bank interest income	2	247
Total income		247
Expenses	5	(508,675)
Total net loss for the period		(508,428)

All results shown in the Statement of Comprehensive Income are from continuing operations.

Loss for the period and total comprehensive loss for the period was £508,428. There were no items of Other Comprehensive Income during the period.

The notes on pages 11 to 17 form an integral part of these financial statements.

Social and Sustainable Housing Fund L.P.

Statement of Financial Position

	Notes	As at 31 December 2019
--	-------	---------------------------

£

Non-Current assets

Loans and receivables, net	7	1,750,000
----------------------------	---	-----------

Current assets

Cash at bank	8	2,758,701
Receivables, net	10	187,401

Total assets		4,696,102
---------------------	--	------------------

Current liabilities

Payables	11	(2,078,422)
----------	----	-------------

Total liabilities		(2,078,422)
--------------------------	--	--------------------

Net assets attributable to Partners		2,617,680
--	--	------------------

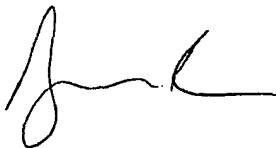
Partners' accounts

Loan account		3,126,108
Retained Loss		(508,428)

Net assets attributable to Partners		2,617,680
--	--	------------------

The notes on pages 11 to 17 form an integral part of these financial statements.

The financial statements on pages 7 to 10 were approved by the General Partner on April 2020.



Benjamin Rick

23 April 2020

Social and Sustainable Housing Fund L.P.

Statement of Changes in Net Assets attributable to Partners

	For the period ended 31 December 2019			
	Partners' Contributions	Interest Free Loan to GP	Net Loss	Net Assets Value
	£		£	£
Opening Balance	-	-	-	-
Investor 1	121,050	(4)	(19,684)	101,362
Investor 2	242,099	(8)	(39,367)	202,724
Investor 3	30,262	(1)	(4,921)	25,340
Investor 4	242,099	(8)	(39,367)	202,724
Investor 5	121,050	(4)	(19,684)	101,362
Investor 6	181,575	(6)	(29,525)	152,044
Investor 7	605,248	(19)	(98,418)	506,811
Investor 8	316,215	(10)	(51,419)	264,786
Investor 9	101,933	(3)	(16,575)	85,355
Investor 10	30,262	(1)	(4,921)	25,340
Investor 11	121,050	(4)	(19,684)	101,362
Investor 12	15,131	-	(2,460)	12,671
Investor 13	36,315	(1)	(5,905)	30,409
Investor 14	732,351	(23)	(119,086)	613,242
Investor 15	187,101	(6)	(30,423)	156,672
Investor 16	30,262	(1)	(4,921)	25,340
Investor 17	12,105	(1)	(1,968)	10,136
Grand Total	3,126,108	(100)	(508,328)	2,617,680

The notes on pages 11 to 17 form an integral part of these financial statements.

Social and Sustainable Housing Fund L.P.

Statement of Cash Flows

	Notes	For the period ended 31 December 2019
		£
Cash flows from operating activities		
Total net loss for the period		(508,428)
<i>Movement in working capital:</i>		
Increase in receivables	10	(187,401)
Increase in payables	11	2,078,422
Net cash inflow from operating activities		1,382,593
Cash flows from investing activities		
Purchase of Loans and receivables	7	(1,750,000)
Net cash outflow from investing activities		(1,750,000)
Cash flows from financing activities		
Loan contributions from Partners		3,126,108
Net cash inflow from financing activities		3,126,108
Net increase in cash and cash equivalents	8	2,758,701
Cash and cash equivalents at the start of the period		-
Cash and cash equivalents at the end of the period		2,758,701

The notes on pages 11 to 17 form an integral part of these financial statements.

Social and Sustainable Housing Fund L.P.

Notes to the Audited Financial Statements

Note 1 - General information

Social and Sustainable Housing Fund L.P. (the “Fund” or the “Partnership”) was formed on 10 April 2019 as a limited partnership under the U.K’s Limited Partnerships Act 1907. The General Partner is responsible for managing the Partnership pursuant to the terms of the Limited Partnership Agreement (the “Partnership Agreement” or “LPA”) dated 22 May 2019.

The General Partner of the Partnership is Social and Sustainable Capital Investments Limited (the “General Partner”), a Private limited Company incorporated in the U.K on 01 June 2012.

The General Partner in its capacity appointed Social and Sustainable Capital LLP (the “Manager”) as an associate of the General Partner. The General Partner is a wholly owned subsidiary of the Manager. The Manager is responsible for managing the Partnership’s Investments pursuant to the terms of the agreement between the General Partner and the Manager.

The Partnership’s Investment Objective is as set out in the General Partner’s report.

Capitalised terms used but not defined herein shall have the meaning assigned to them in the Partnership Agreement.

The Partnership’s registered office address is 4th Floor Reading Bridge House, George Street, Reading, Berkshire, United Kingdom, RG1 8LS.

Note 2 - Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to the period presented, unless otherwise stated.

Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard (“FRS”) 102, the FRS applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006. The financial statements are prepared on going concern basis.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the entity’s accounting policies.

Based on cash held at the date of sign off of these financial statements and projected cash flows including general partner share and limited fixed costs, the Manager believes that the fund has adequate resources to settle its obligations as they fall due for a period of at least twelve months following the signing date of these financial statements and therefore the accounts have been prepared on a going concern basis.

Investment income

Investment income is derived from a financial asset in the form of Interest income, which is recognised when it is probable that the economic benefits will flow to the Partnership, and the amount of interest can be measured reliably. Interest income is accrued on a time basis by reference to the principal outstanding and at the effective interest rate applicable.

Grant income

Grant income is derived from funding received from the grantor in line with the terms and conditions of the grant agreement which is recognised when the Partnership becomes entitled to it.

Bank interest income

Bank interest income is derived from Cash at bank and recognised using the effective interest method.

Social and Sustainable Housing Fund L.P.

Notes to the Audited Financial Statements (continued)

Note 2 - Significant accounting policies (continued)

Other income

Other income includes Arrangement Fee income charged to the Partnership's Investments for issuing loans, which is fully recognised in the Statement of Comprehensive Income in the period that it is earned.

Establishment and organisational expenses

Expenses incurred in establishing the Partnership have been fully charged to the Statement of Comprehensive Income in the period that they are incurred.

Partnership expenses

Expenses are included in the Statement of Comprehensive Income on an accruals basis.

Financial instruments

The Partnership normally invests in debt instruments for community led SSOs.

Financial assets are assets whose value is derived from a contractual claim, such as bank deposits, bonds, and stocks. The relevant financial assets in these financial statements are loans, receivables, cash and cash equivalents, trade receivables and accrued income.

Loans and receivables

(i) Classification

The Partnership classifies its Investments as loans and receivables and are recognised in line with FRS 102.

(ii) Initial and subsequent measurement

Regular purchases and sales of Investments are recognised on the trade date – the date on which the Partnership becomes a party to the contractual provisions of the Investment.

Financial assets recognised as loans and receivables, should be measured at amortised cost using the effective interest method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the net carrying amount of the financial asset or liability. Financial assets that are not carried at fair value through the Statement of Financial Position are subject to an impairment test. If expected life cannot be determined reliably, then the contractual life is used.

(iii) Capitalisation of interest

When it has been agreed with the borrower or in accordance with the Loan's Facility Agreement, interests are capitalised and form part of the Investment's carrying amount.

(iv) Derecognition

Investments are derecognised when the rights to receive cash flows from Investments have expired or the Partnership has substantially transferred all risk and rewards of ownership.

(v) Impairment policy

The Partnership assess at each Statement of Financial Position date whether there is any objective evidence of impairment. If any such evidence exists, the Partnership will perform a detailed impairment calculation to determine whether an impairment loss should be recognised. The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the financial asset's original effective interest rate.

Social and Sustainable Housing Fund L.P.

Notes to the Audited Financial Statements (continued)

Note 2 - Significant accounting policies (continued)

Financial instruments (continued)

Loans and receivables (continued)

If, in a subsequent period, the amount of the impairment loss relating to a financial asset carried at amortised cost decreases due to an event occurring after the impairment was originally recognised, the previously recognised impairment loss is reversed through the Statement of Comprehensive Income.

Trade and other receivables

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost less a provision for any uncollectible amounts. Other non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly. Impairment charges will be included in the Statement of Comprehensive Income, to the extent they reverse income previously recognised.

Cash and cash equivalents

Cash and cash equivalents include cash at hand, demand deposits, other short term highly liquid Investments with original maturities of three months or less.

Financial liabilities

Financial liabilities such as trade and other payables are initially recognised at fair value, and subsequently measured at amortised cost.

Taxation

No provision has been made for taxation in the Partnership. Each Limited Partner is exclusively liable for any tax liabilities arising out of its interest in the Partnership, which will be assessed on each Partner and not on the Partnership.

Functional and presentation currency

The financial statements of the Partnership are presented in U.K. Sterling, which is the Partnership's functional and presentation currency. The Partnership's performance is evaluated, and its liquidity is managed in U.K. Sterling. Therefore, the U.K. Sterling is considered as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

Allocation of profits and losses between Partners

Income, Capital Gains and Distributions are allocated in accordance with clause 3, 5.4 and 10.3 of the LPA. Every Partner has an interest in every asset of the Partnership and accordingly, the balance of Net Income, Net Income Losses, Capital Gains and Capital Losses of the Partnership remaining following the allocation of the priority profit share (pursuant to clause 5.1 of the LPA) in each Accounting Period shall be allocated between the Partners in proportion to their Capital Contributions. To the extent that there is insufficient Income and Capital Gains to allocate against the General Partner's Share, the balance of the drawings takes the form of an interest free loan which is only recoverable from the General Partner by an allocation of Income or Capital Gains. The outstanding balance of the interest free loan was £100 as at 31 December 2019.

Social and Sustainable Housing Fund L.P.

Notes to the Audited Financial Statements (continued)

Note 2 - Significant accounting policies (continued)

Distributions of income proceeds and capital proceeds

Proceeds of the Partnership shall be distributed in accordance with clause 6 of the Partnership Agreement. All receipts of the Partnership available for distribution after payment of or provision for the expenses and liabilities of the Partnership (including but not limited to Establishment Expenses, Ongoing Expenses, Management Fee, the General Partner's priority profit share and any amounts referred to in clause 7.14 of the Partnership Agreement) shall be distributed to the Investors, pro rata to the amount of their respective Capital Contributions.

Timing of distributions

Subject to the provisions of clause 6.2 of the Partnership Agreement:

- Net Income of the Partnership shall be distributed in accordance with clause 6.1 of the Partnership Agreement as soon as possible after 31 December of each year, or at more frequent intervals as the manager may determine, in its sole discretion;
- Capital Proceeds shall be distributed in accordance with clause 6.1 of the Partnership Agreement as soon as practicable after the relevant amounts have been received in cash by the Partnership; and
- any other amounts shall be distributed as soon as possible after 31 December of each year, or at more frequent intervals as the Manager may determine, in its sole discretion.

Note 3 - General Partner's Share

General Partner's Share of the Partnership is calculated in accordance with clause 5 of the Partnership Agreement dated 22 May 2019.

The General Partner's Share ("GPS") is treated as a non-recourse expense in the Statement of Comprehensive Income. This includes any amounts paid in the form of an interest free loan. The GPS share for the period ended 31 December 2019 was £100.

Note 4 - Related Party Disclosures

The General Partner and the Manager are related parties to the Partnership. GPS of £100 is payable to the General Partner as at 31 December 2019. The Manager received management fees of £187,500 of which £nil was outstanding as at the period ended 31 December 2019.

No other transactions have occurred between related parties apart from those mentioned above.

Note 5 – Expenses

	Period ended 31 December 2019
	£
Management Fees	187,500
Establishment and organisational expenses	178,098
Legal fees	56,400
Administration fees	47,744
Other expenses	31,633
Audit fees	7,200
General Partner's Share	100
Total	508,675

Social and Sustainable Housing Fund L.P.

Notes to the Audited Financial Statements (continued)

Note 6 – Information in relation to Partners

	As at 31 December 2019
	No.
Average number of partners during the year	17
	£
Loss for the financial year available for discretionary division among members	(508,428)

Note 7 - Loans and receivables

Inception to date

	Loans	Disposals	Provision for impairment	As at 31 December 2019
	£	£	£	£
Loans and receivables	1,750,000	-	-	1,750,000
Total	1,750,000	-	-	1,750,000

Period ended 31 December 2019

	As at 10 April 2019	Additions	Disposals	Provision for impairment	As at 31 December 2019
	£	£	£	£	£
Loans and receivables	-	1,750,000	-	-	1,750,000
Total	-	1,750,000	-	-	1,750,000

For the period ended 31 December 2019, the Partnership invested a total of £1.75 million.

Note 8 - Cash and cash equivalents

	As at 31 December 2019
	£
Cash at bank	2,758,701
Total	2,758,701

Note 9 – Debt analysis

	As at 10 April 2019	Cash flow	Other non-cash changes	As at 31 December 2019
	£	£	£	£
Cash at bank	-	2,758,701	-	2,758,701
Amount due to Limited Partner	-	(1,979,002)	-	(1,979,002)
Payables and accruals	-	(99,320)	-	(99,320)
Total net cash	-	680,379	-	680,379

Social and Sustainable Housing Fund L.P.

Notes to the Audited Financial Statements (continued)

Note 10 - Receivables, net

	As at 31 December 2019 £
Call Receivable	187,401
Total	187,401

Note 11 – Payables

	As at 31 December 2019 £
Amount due to Limited Partner	1,979,002
Payables and accruals	99,320
General Partner's Share	100
Total	2,078,422

Note 12 - Financial risk management

Risk management structure

The General Partner sets objectives, policies and processes for managing and monitoring the overall risk within the Partnership. This note provides further information on the specific risks faced by the Partnership.

The capital structure of the Partnership consists of equity commitments made by the Limited Partners in accordance with the Partnership Agreement. Hence, the General Partner believes that the Partnership has sufficient capital to cover its liabilities. Further capital is called from the Limited Partners in accordance with the Partnership Agreement.

Credit risk

Credit risk is the potential that an issuer, counterparty or an underlying Investment third party will be unable to meet commitments that it has entered into with the Partnership and/ or the commitments with underlying Investments of the Partnership.

At the Partnership level, the maximum exposure to credit risk, in the event that counterparties fail to perform their obligations as at year-end, is the carrying amount of those assets as indicated in the Statement of Financial Position. Concentrations of credit risk exist when changes in economic, industry or geographic factors similarly affect the Partnership's counterparties whose aggregate credit exposure is significant in relation to the Partnership's total credit exposure.

As at 31 December 2019, none of assets held by the Partnership are determined to be impaired, thus, no impairment provision and no write off were recognised in the Statement of Comprehensive Income.

Social and Sustainable Housing Fund L.P.

Notes to the Audited Financial Statements (continued)

Note 11 - Financial risk management (continued)

Liquidity risk

Liquidity risk is the risk that the Partnership may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Partnership's Investments are subject to liquidity risk in the normal course of business. The General Partner manages this risk by ensuring that sufficient funds exist to meet outstanding commitments, other liabilities incurred by the operating activities of the Partnership and short-term liquidity needs, as and when they fall due.

Capital risk management

The capital of the Partnership is represented by the net assets attributable to the Partners. The Partnership's objective when managing the capital is to safeguard the ability to continue as a going concern in order to provide returns for Partners and benefits for other stakeholders and to maintain a strong capital base to support the development of the Investment activities of the Partnership. In order to maintain or adjust the capital structure, the General Partner may call unfunded commitments from the Limited Partners or distribute funds to the Limited Partners. The General Partner monitors capital on the basis of the value of net assets attributable to the Limited Partners.

Note 12 - Subsequent events

On 2 January 2020, additional funds amounting to £5.57 million was drawn for the acquisition of new investments and the payment of management fees and general expenses.

The Fund Manager has not yet been able to fully assess the financial impact of the COVID-19 pandemic that is being played out in early 2020. The Fund's borrowers may experience operational or financial issues that delay or prevent the payment of interest and/or principal when due. As a result, the carrying values of the Fund's investments may have declined since the balance sheet date.

The Fund Manager has taken steps to ensure that it will be able to manage the fund during the period of this crisis. Staff are all working remotely and are able to operate effectively using SASC's IT infrastructure.

Social and Sustainable Housing Fund L.P.

General Information

General Partner

Social and Sustainable Capital Investments Limited
4th Floor, Reading Bridge House
George Street
Reading, RG1 8LS
United Kingdom

Banker

Santander UK plc
2 Triton Square, Regents' Place
London NW1 3AN
United Kingdom

Initial Limited Partner

Social and Sustainable Capital LLP
4th Floor, Reading Bridge House
George Street
Reading, RG1 8LS
United Kingdom

Independent Auditor

BDO LLP
55 Baker Street
London W1U 7EU
United Kingdom

Independent Fund Administrator

IQ EQ Administration Services (UK) Ltd
Formerly known as Augentius (UK) Limited
2 London Bridge
London, SE1 9RA
United Kingdom

Legal Advisor

Travers Smith
10 Snow Hill
London, EC1A 2AL
United Kingdom